

Besoil Co. / Perkins
SE/4-SW/4 Sec. 33-T18N-R20E
Navajo County

55

P-W

County Navajo

Area Holbrook

Lease No. Perkins Fee

Well Name Resoil Company / Perkins

Location SE SW Sec 33 Twp 18N Range 20E Footage est. 620 fsl 2750 fel

Elev 5100' Gr KB Spud 12-25-58 Date 12-25-58 Abandon 12-17-58 Total 485'

Contractor Riley Drilling Company *5110 ± G.L. from USGS at Joseph I.N.W. plg 11-27-65*

<u>Casing Size</u>	<u>Depth</u>	<u>Cement</u>	<u>Drilled by Rotary</u> <u>X</u>
<u>10 3/4"</u>	<u>400'</u>	<u>50sx</u>	<u>Cable Tool</u> _____
			<u>Production Horizon</u> _____
			<u>Initial Production</u> <u>D & A</u>

REMARKS The amount of surface csg. in this well, as shown above, could be in error. Certain communications in the file indicate that this well was started as a slim hole strat test and no csg. was set. The plugging and completion report indicate the above amount of csg. set.

<u>Elec Logs</u>	<u>Sample Log</u> _____
<u>Applic. to Plug</u> <u>X</u>	<u>Sample Descript.</u> _____
<u>Plugging Record</u> <u>X</u>	<u>Sample Set</u> <u>T-1652 P-699</u>
<u>Completion Report</u> <u>X</u>	<u>Core Analysis</u> _____
	<u>DSTs</u> _____

Water well accepted by _____

Bond Co. & No. Fidelity & Casualty Company of New York Bond #S 121 6802

Bond Am't \$ 2,500 Cancelled 12-14-65 Date _____ Organization Report X

Filing Receipt 49048 Dated 4-2-58 Well Book X Plat Book X

API No. 02-017-05038 Loc. Plat X Dedication E/2 SW/4 Sec. 33

Sample 699

Permit Number 55

Date Issued 7-10-58

WELL COMPLETION OR RECOMPLETION REPORT AND WELL LOG

DESIGNATE TYPE OF COMPLETION:

New Well Work-Over Deepen Plug Back Same Reservoir Different Reservoir Oil Gas Dry

DESCRIPTION OF WELL AND LEASE

Operator <i>Besoil Company</i>		Address <i>9601 South Alameda Los Angeles California 90002</i>	
Federal, State or Indian Lease Number or name of lessor if fee lease <i>Perkins</i>		Well Number <i>1</i>	Field & Reservoir <i>Wildcat</i>
Location <i>SE/4 SW/4 Sec 33</i>		County <i>Navajo</i>	
Sec. TWP-Range or Block & Survey <i>33 T18N-R20E</i>			
Date spudded <i>12-2-58</i>	Date total depth reached <i>12-10-58</i>	Date completed, ready to produce —	Elevation (DF, RKB, RT or <u>TD</u>) feet <i>5010</i>
Total depth <i>485</i>	P.B.T.D. —	Single, dual or triple completion? —	If this is a dual or triple completion, furnish separate report for each completion.
Producing interval (s) for this completion <i>dry</i>		Rotary tools used (interval) <i>0-485</i>	Cable tools used (interval) —
Was this well directionally drilled? <i>NO</i>	Was directional survey made? —	Was copy of directional survey filed? —	Date filed —
Type of electrical or other logs run (check logs filed with the commission) <i>None</i>			Date filed —

CASING RECORD

Casing (report all strings set in well—conductor, surface, intermediate, producing, etc.)						
Purpose	Size hole drilled	Size casing set	Weight (lb./ft.)	Depth set	Sacks cement	Amt. pulled
<i>Surface</i>	<i>13"</i>	<i>10 3/4</i>	—	<i>400</i>	<i>50</i>	<i>None</i>

TUBING RECORD

LINER RECORD

Size in.	Depth set ft.	Packer set at ft.	Size in.	Top ft.	Bottom ft.	Sacks cement	Screen (ft.)
—	—	—	—	—	—	—	—

PERFORATION RECORD

ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD

Number per ft.	Size & type	Depth Interval	Amt. & kind of material used	Depth Interval
—	—	—	—	—

INITIAL PRODUCTION

Date of first production <i>dry</i>		Producing method (indicate if flowing, gas lift or pumping—if pumping, show size & type of pump:)				
Date of test	Hrs. tested	Choke size	Oil prod. during test bbls.	Gas prod. during test MCF	Water prod. during test bbls.	Oil gravity * API (Corr)
Tubing pressure	Casing pressure	Cal'd rate of Production per 24 hrs.	Oil bbls.	Gas MCF	Water bbls.	Gas-oil ratio

Disposition of gas (state whether vented, used for fuel or sold):

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Agent of the Besoil (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Date 12-15-65

Signature Joe B. Barrett

Permit No. 55

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Well Completion or Recompletion Report and Well Log
Form No. 4
File One Copy

PLUGGING RECORD

Operator Besoil Company		Address 4601 South Alameda Los Angeles California 90002	
Federal, State, or Indian Lease Number, or lessor's name if fee lease. Perkins		Well No. 1	Field & Reservoir Wild Cat
Location of Well SE/4 SW/4		Sec-Twp-Rge or Block & Survey 33 T18N-R20E	County Navajo
Application to drill this well was filed in name of Besoil Company	Has this well ever produced oil or gas NO	Character of well at completion (initial production): Oil (bbls/day) _____ Gas (MCF/day) _____ Dry? Yes	
Date plugged: 12-27-65	Total depth Plug Back 280 485	Amount well producing when plugged: Oil (bbls/day) _____ Gas (MCF/day) _____ Water (bbls/day) _____	
Name of each formation containing oil or gas. Indicate which formation open to well-bore at time of plugging NONE No Perfs Lost Hole	Fluid content of each formation —	Depth interval of each formation —	Size, kind & depth of plugs used. Indicate zones squeeze cemented, giving amount cement 2.80' cement Plug w/50 SX cement

CASING RECORD

Size pipe	Put in well (ft.)	Pulled out (ft.)	Left in well (ft.)	Give depth and method of parting casing (shot, ripped, etc.)	Packers and shoes
10 3/4"	400'	—	400'	—	—

Was well filled with mud-laden fluid, according to regulations? _____ Indicate deepest formation containing fresh water. _____

NAMES AND ADDRESSES OF ADJACENT LEASE OPERATORS OR OWNERS OF THE SURFACE

Name Ben Hunt	Address Joseph City Arizona	Direction from this well: West
Cephus Perkins	Holebrook, Ariz	North, South, East

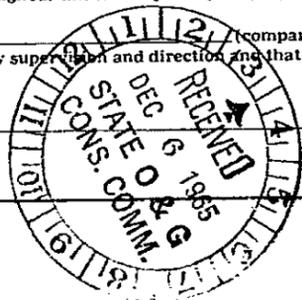
In addition to other information required on this form, if this well was plugged back for use as a fresh water well, give all pertinent details of plugging operations to base of fresh water sand, perforated interval to fresh water sand, name and address of surface owner, and attach letter from surface owner authorizing completion of this well as a water well and agreeing to assume full liability for any subsequent plugging which might be required.

Use reverse side for additional detail.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Agent of the Besoil (company) and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Date **12-6-65**

Signature **Joe B. Barrett**



Permit No. **55**

Form No. 10

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Plugging Record
File One Copy

APPLICATION TO ABANDON AND PLUG

FIELD Wild Cat
 OPERATOR Besoil Company ADDRESS 9601 South Alameda Los Angeles California 90002
 Federal, State, or Indian Lease Number or Lessor's Name if Fee Lease Perkins WELL NO. 1
 SURVEY T18N-R-20E SECTION 33 COUNTY Navajo
 LOCATION SE/4 SW/4

TYPE OF WELL Dry Hole TOTAL DEPTH 485'
 ALLOWABLE (If Assigned) NONE (Dry Hole)
 LAST PRODUCTION TEST OIL — (Bbls.) WATER — (Bbls.)
 GAS — (MCF) DATE OF TEST —
 PRODUCING HORIZON NONE PRODUCING FROM — TO —

1. COMPLETE CASING RECORD

10 3/4 CS9 - 400'

2. FULL DETAILS OF PROPOSED PLAN OF WORK Fill Hole with cement & Set A Regulation Dry Hole Marker in Surface Pipe

If well is to be abandoned, does proposed work conform with requirements of Rule 202? yes If not, outline proposed procedure above.

DATE COMMENCING OPERATIONS As Soon as Approved

NAME OF PERSON DOING WORK Joe B. Barrett ADDRESS 2211 N. 81st way

CORRESPONDENCE SHOULD BE SENT TO Joe B. Barrett



Name Joe B. Barrett
 Title Geologist

Address 2211 N. 81st way Scottsdale, Ariz.

Date 11-20-65

Date Approved 12-13-65
 STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 By: John J. Ammerley

STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 Application to Abandon and Plug
 File Two Copies
 Form No. 9

Permit No. 55

STATE DEPARTMENT

JUN 30 1 20 PM 1958

June 30, 1958

Casing program on K. Besoyan-Perkins No. 1,
Sec. 33, T. 18N, R. 20E. - 400' of 12" casing
cemented on bottom.

Total depth approximately 4000' of 7 7/8"
hole with string of 4 1/2" casing to T.D.

Kirk Besoyan
Kirk Besoyan

JUN 30 1 20 PM 1958

STATE DEPARTMENT

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 Holbrook Ariz. March 31 19 58

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. 33,
Twp. 18 N., Rge. 20 E. G&S.B. & M., Penzance (Perkins) Field,
Navajo County.

Legal description of lease Section 33, Township 18 North, Range 20 East,
(attach map or plat to scale)
Navajo County, Arizona.

Location of Well: North 78°15' West a distance of 2813.65 feet from the
(Give exact footage from section corners or other

Southeast Corner of Sec. 33, Township 18 North, Range 20 East, G&SRB&M,
legal subdivisions or streets) Navajo County, Arizona.

Proposed drilling depth 2500 feet. Acres in drilling unit 40 acres.

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

Elevation of ground above sea level 5010 feet.

All depth measurements taken from top of rotary table
(Derrick, floor, Rotary Table or
which is five feet above the ground.
(Kelly Bushing)

PROPOSED CASING PROGRAM

Size of Casing Inches A.P.I.	Weight	Grade & Type	Top	Bottom	Cementing Depths
<u>rotary mud</u>	<u>- 5 5/8"</u>	<u>test hole.</u>			

Intended Zone or Zones of completion:
Name Unknown Perforated Interval

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.

Bessil Co.
(Applicant)

By Kirk Besoyan (owner)

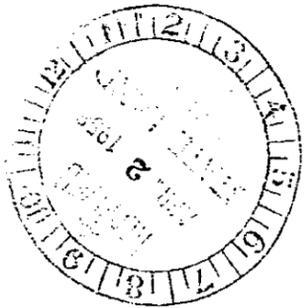
Application approved this 10th day of July 19 58

Permit No. 55
3-62 1/10/58

Obed M. Larsen
State Land Commissioner

OK JCR
7-10-58

OK 7/10/58



6/16/61

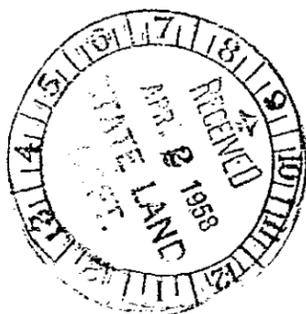


Well, on Perkins Ranch

The well is North $78^{\circ}15'$ West a distance of 2813.65' from the South East Corner of Section 33, Township 18 North, Range 20 East, of the Gila & Salt River Meridian.

This is from a field survey made by me & is correct to the best of my knowledge.

Theodore F. McNabb
Registered Land Surveyor
Certificate No. 1651.
March 29, 1958



8-58

NAVAJO-APACHE ABSTRACT & TITLE CO.
HOLBROOK, ARIZONA

Sec. 33

T. 18N R. 20E Mer. 64SRB4M

County Navajo

K. Besoyan-Perkins - Vol.

SCALE 4 INCHES - 1 MILE

Abstracted _____ Area _____

53

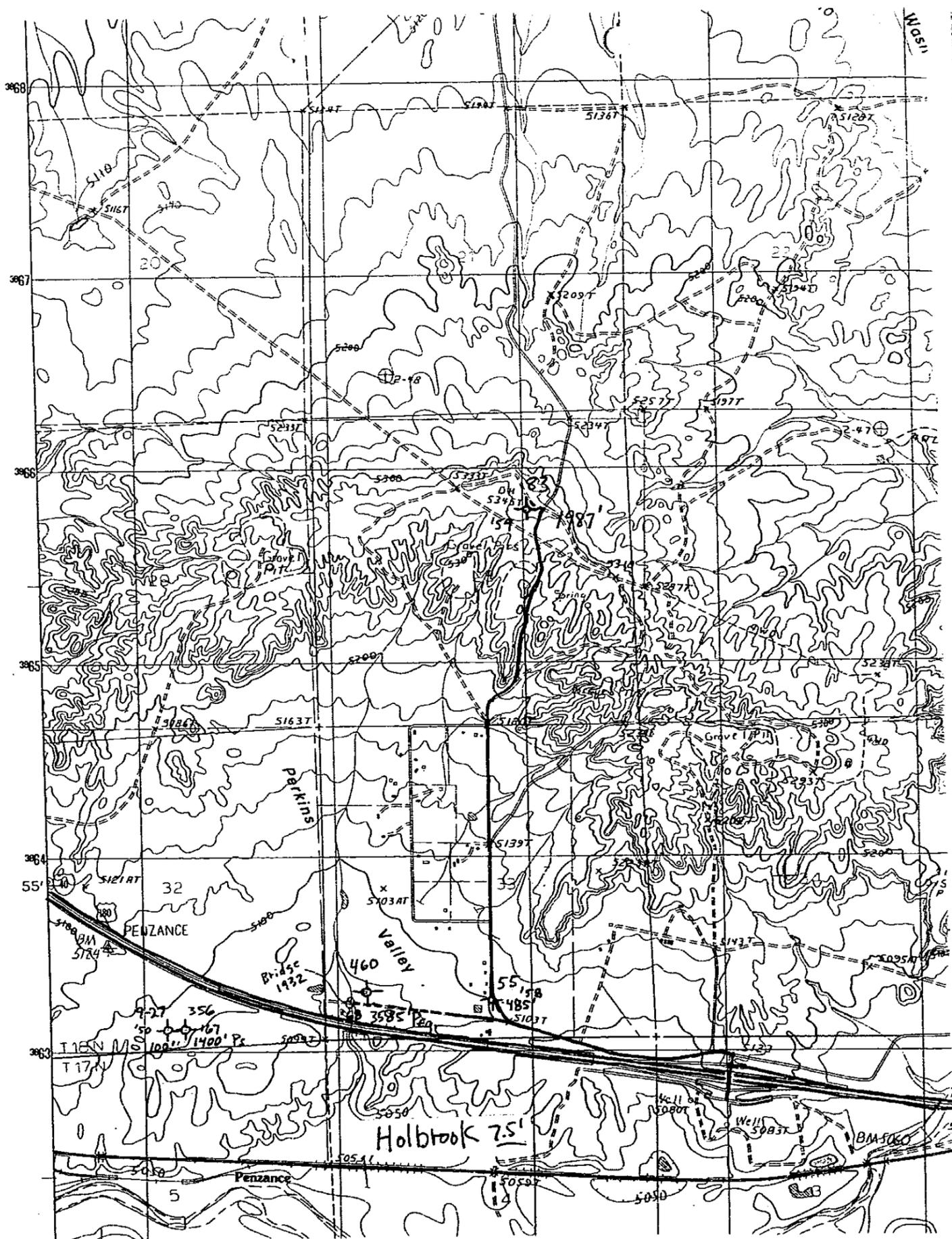
RECEIVED
APR. 2 1958
NATIONAL BUREAU OF
MINE HEALTH
DEPT. OF HEALTH
STATE LAND



Handwritten text, possibly a name or title, located in the middle-left section of the page.

Small, faint handwritten text or mark in the top-left corner.





December 14, 1965

Mr. Louis Abrams
Amsco Supply Company
9601 South Alameda Street
Los Angeles, California 90002

Re: Besoil Co. #1 Hunt well
SE/4SE/4 31-18N-20E, Navajo County, Arizona
Our File 54
The Fidelity & Casualty Co. of New York Bond 1192822

Besoil Co. #1 Perkins well
SE/4SW/4 33-18N-20E, Navajo County, Arizona
Our File 55
The Fidelity & Casualty Co. of New York Bond 31216802

Dear Mr. Abrams:

Captioned wells have been plugged in accordance with our Rules and Regulations and required reports have been submitted.

This letter, then, constitutes authority from this Commission to terminate captioned bonds.

Your cooperation has been very much appreciated.

Very truly yours,

John Bannister
Executive Secretary
BT

cc: The Continental Insurance Companies
1520 Wilshire Blvd.
Los Angeles, California 90017
Attn: Mr. Joseph Burke, Surety Dept.

C
O
P
Y

November 22, 1965

Mr. Louis Abrams
Amasco Supply Company
9601 South Alameda Street
Los Angeles, California 90002

Re: Besoil Co. #1 Hunt well
SE/4SE/4 31-18N-20E, Navajo County, Arizona
Our File 54

Besoil Co. #1 Perkins well
SE/4SW/4 33-18N-20E, Navajo County, Arizona
Our File 55

Dear Mr. Abrams:

This will acknowledge receipt of your letter of November 18, 1965 concerning the plugging of the captioned two wells.

As stated in my letter of October 7, 1965, Section 27-515.A, ARS, specifically grants to the Commission the necessary authority to enter upon property in performance of its duties. The primary obligation to enter upon a property and to plug these wells in accordance with our Rules and Regulations rests upon you. The Commission will enter the picture only if absolutely necessary.

It is our feeling that a land owner who leases his land for oil and gas exploration of necessity places himself in the position of not interfering with the lessee in performance of his obligations and of compliance with the Rules and Regulations of this Commission.

Should any interference be presented to you in complying with our Rules and Regulations, will you please advise this office at once and we will take such steps as are necessary to secure performance in accordance with the Rules and Regulations.

Your cooperation is appreciated.

Very truly yours,

John Bannister
Executive Secretary

cc: Mr. Joe Barratt, 2211 N. 81st Way, Phoenix, Arizona

November 22, 1965

Mr. Joe B. Barrett
2211 N. 81st Way
Scottsdale, Arizona

Re: Basoil Co. #1 Hunt well
SE/4SE/4 31-18N-20E, Navajo County, Arizona
Our File 54

Basoil Co. #1 Perkins well
SE/4SW/4 33-18N-20E, Navajo County, Arizona
Our File 55

Dear Mr. Barrett:

Mr. Abrams advised this office by letter of November 18, 1965 that you have been engaged to plug the captioned two wells.

Mr. Abrams feels there may be some interference in entering these ranches in order to comply with our Rules and Regulations.

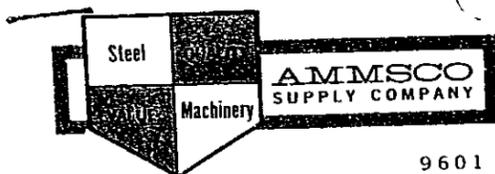
Should you have any trouble in this regard, will you please contact this Commission at once and we will take such steps necessary to see that our best interests in compliance with our Rules and Regulations is upheld.

This office does not have the address of either Mr. Ben Hunt or the present owner of the Perkins Ranch. Should you have these addresses we would appreciate your furnishing same to us so that we may advise them of our orders concerning these two wells.

Yours very truly,

John Bannister
Executive Secretary
nr

cc: Mr. Louis Abrams



PHONE: 564-5911

9601 SOUTH ALAMEDA STREET • LOS ANGELES, CALIFORNIA 90002

Buying & Selling - Steel & Machinery - Excess Inventories or Complete Plants

November 18, 1965

Mr. John Bannister
Executive Secretary
Oil and Gas Conservation Commission
State of Arizona
Room 202, 1624 West Adams
Phoenix, Arizona 85007

Re: Besoil Co. #1 Hunt well
SE/4SE/4 31-18N-20E, Navajo County, Arizona
Our File 54

Besoil #1 Perkins well
SE/4SW/4 33-18N-20E, Navajo County, Arizona
Our File 55

Dear Mr. Bannister:

In answer to your letter of October 7, 1965, I would like to make the necessary arrangements to plug the above mentioned wells. I will contact Mr. Barrett to do the work as per your specifications. How can I make these arrangements so that the money can be released to him only upon your acceptance of the specified work? I will put the money up to be paid to him upon your release. I would also like at the same time to have a written statement from you giving me the necessary protection to do this work.

I am sending a letter to Mr. Barrett asking him for a date when he can do this work, and I will give him the release to do it as soon as I hear from you.

I hope this meets with your approval.

Louis Abrams
Louis Abrams

LA/ohs

a copy of my letter to Mr Barrett is enclosed. (2)



— STEEL, SHAPES, PLATE, BAR, TUBING —
Machine Tools, Welders, Compressors, Electric Motors, Metal Working Machinery

November 11, 1905

Mr. J. B. Stewart
Oil Layer Dept
Tombstone, Arizona

Re: Oil No. 51 and well
Tombstone, Arizona, Santa Cruz County, Arizona
No. 51

Oil No. 52 and well
Tombstone, Arizona, Santa Cruz County, Arizona
No. 52

Dear Mr. Stewart:

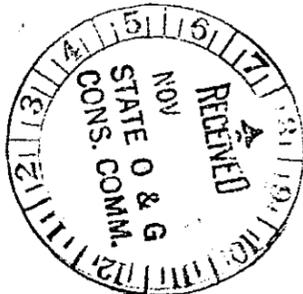
In answer to your letter of August 26, 1905 regarding
the above mentioned wells. The plan you have
for producing these wells is satisfactory. They shall have
to be done to the laws of Arizona Oil and Gas Commission
regulations.

Will you give me an approximate date when you can do the
job, and how long it will take? I will then make the
arrangement with the Arizona Oil and Gas Commission for
inspection, and the payment to you upon completion.

I will look forward to hearing from you soon.

Yours truly

W. B. Stewart



November 8, 1965

Mr. Lou Abrams
Amsco Supply Company
9601 South Alameda Street
Los Angeles, California 90002

Re: Basoil Co. #1 Hunt well
SE/4SE/4 31-18N-20E, Navajo County, Arizona
Our File 54

Basoil #1 Perkins well
SE/4SW/4 33-18N-20E, Navajo County, Arizona
Our File 55

Dear Mr. Abrams:

We have not heard from you in reply to our letter of October 7, 1965. It is the sincere desire of this Commission to cooperate with operators in the State wherever possible. However the functions of this office must be performed.

If we do not hear from you in the immediate future, we will have no other alternative but to go to the bonding company and order them to plug these wells. If we do not hear from you by December 1, this order will be issued to the bonding company.

As we said above, we are willing to work with you in any feasible manner.

Very truly yours,

John Bannister
Executive Secretary
nr

October 7, 1965

Mr. Lou Abrams
Amaco Supply Company
2101 South Alameda Street
Los Angeles, California 90002

Re: Besoil Co. #1 Hunt well
SE/4SE/4 31-18N-20E, Navajo County, Arizona
Our File 54

Besoil #1 Perkins well
SE/4SW/4 33-18N-20E, Navajo County, Arizona
Our File 55

Dear Mr. Abrams:

This will acknowledge receipt of your letter dated October 1, 1965.

You asked under what authority you could authorize work to be done on private property. Please be advised that the full authority of this Commission will be behind you in this regard. By statutory authority, the Commission is specifically given authority to enter upon property at any time in order to exercise its functions.

Should such a step be necessary, the Commission can act through the Attorney General to secure such authority that would grant you this protection.

However, it is my belief that when you are prepared to plug these wells that all that will be necessary, should a question arise, that there be present a representative from this office. Consequently, if you will advise when you plan to do this work, this office will take the necessary steps to see that re-entry to the property for this purpose is not denied.

I do not know at this time where Mr. Kirk Basoyan can be reached.

Mr. Lou Abrams

Page 2

October 7, 1965

If this office may be of any further help to you, will you please advise.

Yours very truly,

John Banister
Executive Secretary
BT

September 17, 1965

Mr. Lewis Abrams
9601 South Alameda Street
Los Angeles, California 90002

Re: Bessoil Co. #1 Hunt well
SE/4SE/4 31-18N-20E, Navajo County, Arizona
Our File 54
Fidelity & Casualty Co. of New York Bond S1192822

Bessoil #1 Perkins well
SE/4SW/4 33-18N-20E, Navajo County, Arizona
Our File 55
Fidelity & Casualty Co. of New York Bond S1216802

Dear Mr. Abrams:

As you are aware, you, as guarantor on the bonds, have been requested to plug the two captioned wells.

On July 14, 1965 this office advised that the Perkins well, with a total depth of 485 feet, should be filled with cement, the surface site cleaned, and a surface marker set. The Hunt well should be plugged with a 50-foot plug at 900 feet, a surface plug of 20 feet, and a proper marker set therein.

You have advised that you were negotiating with Mr. Buzz Dobell to plug these wells. However, we have heard nothing further.

It is a suggestion of this office that you contact Mr. Joe Barrett, 2211 N. 81st Way, Phoenix, Arizona, to do this work. Mr. Barrett has successfully plugged several wells within the State and it is our belief that he can do an excellent job economically.

This office does not desire to have to go to the bonding company, nor to turn this case over to the Attorney General in order to secure compliance with our order to plug. However, this work must be done in the near future or we will have no

Mr. Lewis Abrams

Page 2

September 17, 1965

alternative then as above outlined.

It is our desire to cooperate with you in every possible manner and if we may be of any help, will you please advise.

Yours very truly,

John Bannister
Executive Secretary
BT

cc: The Continental Insurance Companies
1520 Wilshire Boulevard
Los Angeles, California 90017

7-23-65

Serge Besoyan
9649 Arkansas-St.
Belleflower, Calif.

*planned from Land Dept.
closing of 7-23-65.*

July 14, 1965

Mr. Louis Abrams
9601 South Alameda Street
Los Angeles, California 90002

Re: Besoil Co. #1 Hunt Fee well
SE/4SE/4 31-T18N-R20E, Navajo County, Arizona
File 54

Besoil Co. #1 Perkins Fee well
SE/4SW/4 33-T18N-R20E, Navajo County, Arizona
File 55

Dear Mr. Abrams:

Our records, which are incomplete, show that the Perkins well reached a total depth of 485 feet. This well can be properly plugged simply by filling it with cement and erecting a proper well site marker at the surface.

The Hunt well may be properly plugged by spotting a 50-foot cement plug around 900 feet and a surface plug and marker.

The copy of the Rules and Regulations sent you on April 22, 1965 detail the type marker required.

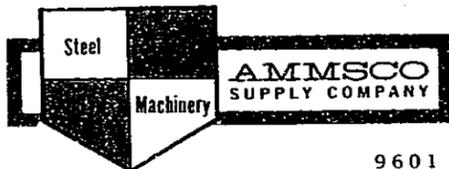
To our knowledge there are two people in this area who are interested in undertaking this type of well service operation. One is a Mr. Buss Dobell, Holbrook, Arizona (c/o Mr. Frank Dobell), who is doing this type of work currently for Arkla. Another is Mr. Joe Barrett, whose address is P.O. Box 7379, Phoenix, Arizona 85001.

According to our records, again they are incomplete, bonds were placed on these wells showing the principals to be Kirk and Serge Besoyan.

If we can be of further help, please contact us.

Yours very truly,

J.R. Scurlock
Petroleum Geologist
nr



PHONE: 564-5911

9601 SOUTH ALAMEDA STREET • LOS ANGELES, CALIFORNIA 90002

Buying & Selling - Steel & Machinery - Excess Inventories or Complete Plants

July 6, 1965

Mr. J. R. Scurlock, Petroleum Geologist
Oil & Gas Conservation Commission
State of Arizona
1624 West Adams - Room 202
Phoenix, Arizona 85007

Dear Mr. Scurlock:

On June 1st I sent you a letter regarding two wells.
Following are the descriptions:

Hunt #1 N E S E S E Sec. 31, T. 18N. R. 20 E

Perkins #1 S E S E S W Sec. 33, T. 18N. R. 20 E.

I had some problems that I discussed in the letter, and
on a previous telephone conversation. I would appreciate
hearing an answer to the letter as I am in quite a quandry as to
what to do. The bonding company insists on being paid until a
settlement is made.

Since I signed as a guarantor on the bond I seem to be the
only principal left, and I now find a bag in my hands. Can you
help me dispose of this "Bag"?

Your quick response will be appreciated.

Very truly yours,

Louis Abrams

Louis Abrams

LA/ohs



— STEEL, SHAPES, PLATE, BAR, TUBING —

Machine Tools, Welders, Compressors, Electric Motors, Metal Working Machinery

July 6, 1965

The Continental Insurance Companies
1520 Wilshire Blvd.
Los Angeles, California 90017

Attention: Mr. Joseph Burke, Surety Department

Re: Bond S1216802 and Bond S1192822
Kirk/Serge Basoyan, Principals
Covering oil and gas wells located
SW/4SE/4 33-T18N-R20E and
SE/4SE/4 31-T18N-R20E, Navajo County
Permits 54 and 55

Gentlemen:

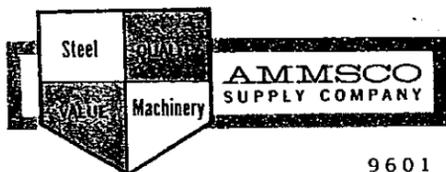
We did have the captioned bonds in our files until just a month ago when they disappeared. Since we are required to keep copies of active bonds, and after a fruitless search, we requested copies from you.

Recently when a representative of the bonding company was in this office, we informed him that since neither well had been properly plugged, and that since various reports and logs had not been filed with this Commission, the bonds must remain active and cannot be released until such time as all requirements of our Rules and Regulations have been met.

We would very much appreciate receiving the copy you do have. Your earliest cooperation is appreciated.

Yours very truly,

John Bannister
Executive Secretary
MB



PHONE: 564-5911

9601 SOUTH ALAMEDA STREET • LOS ANGELES, CALIFORNIA 90002

Buying & Selling - Steel & Machinery - Excess Inventories or Complete Plants
June 1, 1965

Mr. J. R. Scurlock
Petroleum Geologist
Oil and Gas Conservation Commission
State of Arizona
1624 West Adams - Room 202
Phoenix, Arizona 85007

Dear Mr. Scurlock:

As per our phone conversation of April 21, 1965, the following are descriptions of the two well locations I had inquired about:

Hunt #1 N E S E S E Sec. 31, T. 18N. R. 20E
Perkins #1 S E S E S W Sec. 33, T. 18N. R. 20E.

As I understand it, the Perkins well was only a test hole with 2" or 3" casing. This was done before I arrived on the scene. We had intended drilling at a later date but were never able to clear up our leases with Mr. Perkins and finally stepped out of the whole deal. The bond was put on his location in anticipation of drilling until we were forced to cancel our plans.

We were involved in part of the costs of drilling the Hunt well and I realize I have some obligation there. As I explained on the phone, the Hunt well was redrilled by Kirk Besoyan after I stepped out of the deal, and financed by Peter Nalbandian. The agreement was that Nalbandian was to put up his own bond on the Hunt well, releasing me. He did put up a \$10,000.00 blanket bond on his Arrowhead Well and then did not specify the Hunt well which was redrilled afterwards.

You can see the predicament I have been left in. I don't care to continue paying for drilling bonds since I have no further interest of any kind in the area. I might be interested in plugging the Hunt well if I could be released from the bond on the Perkins property at the same time.

You can see my dilemma, Jim. Can you help me or suggest anything I can do to facilitate things?

Very truly yours,

LOUIS ABRAMS



— STEEL, SHAPES, PLATE, BAR, TUBING —

Machine Tools, Welders, Compressors, Electric Motors, Metal Working Machinery

April 22, 1965

Mr. Louis Abrams
Amesco Supply Co.
9601 S. Alameda
Los Angeles 2, Calif.

Dear Mr. Abrams:

Enclosed is a copy of the current General Rules and Regulations. The plugging requirements you will find on Pages 17, 18, and 19.

I am also enclosing some Well Completion Report forms, etc. I would appreciate it if you would fill out a form for each of the three wells that you mentioned, giving me as much data as you have; and of course I realize that your records are perhaps a bit sparse. I enclose extra copies of these in case you should want to make carbons for your own files.

Note also that if you should have any electrical logs or sample logs on any of these wells, the law requires you to file with us duplicate copies of such logs.

As I say, I have no idea regarding the cost of plugging a well. There are two people who have had some experience plugging wells in Arizona with whom I am familiar. They are Mr. Joe Barrett, P.O. Box 7379, Phoenix, Arizona 85011, telephone 946-8359; and Mr. Larry Bedford, P.O. Box E, Farmington, New Mexico.

Yours very truly,

J.R. Scurlock
Petroleum Geologist

nr
enc

STATE of ARIZONA
OIL and GAS CONSERVATION COMMISSION
CAPITOL ANNEX
ROOM 202
1624 WEST ADAMS STREET
PHOENIX, ARIZONA

COMPANY Besoil Company DATE 8-4-1984
RE: WELL NAME & NUMBER: Besoil Company Perkins Fee #1
LOCATION: SECTION 33 TWP. 18N R. 20E COUNTY Navajo
FILE NUMBER _____

Gentlemen:

We have reviewed our files and find that we need the below checked item (s) in order to complete same. Will you please fill in the enclosed form (s), at your earliest convenience, and return them to this office. May we remind you that your bond (# 8-1216802),

issued by Fidelity & Casualty Company of New York can be forfeited for failure to comply.

In addition we request a copy of any log run on this (~~these~~) well (s)

Your cooperation is appreciated. If we may be of service to you please advise.

Yours very truly,

Bill Cooper

Bill Cooper
Records Section

Completion Record

Plugging Record

Well Log
cc./Bonding Company

Application to plug and abandon

August 16, 1963

Mr. Joseph Burke, Bond Department
America Fore Loyalty Group
1530 Wilshire Boulevard
Los Angeles 17, California

Dear Mr. Burke:

We do not have the Baccayan's address.

Yours truly,

John K. Petty
Acting Executive Secretary

JKP/vc

THE CONTINENTAL INSURANCE COMPANY • FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY
FIDELITY-PHENIX INSURANCE COMPANY • THE FIDELITY AND CASUALTY COMPANY OF NEW YORK
NIAGARA FIRE INSURANCE COMPANY • NATIONAL-BEN FRANKLIN INSURANCE COMPANY OF PITTSBURGH, PA.
MILWAUKEE INSURANCE COMPANY OF MILWAUKEE, WIS. • COMMERCIAL INSURANCE COMPANY OF NEWARK, N.J.
THE YORKSHIRE INSURANCE COMPANY OF NEW YORK • SEABOARD FIRE & MARINE INSURANCE COMPANY

1520 Wilshire Boulevard, Los Angeles 17, California

August 14, 1963

Oil and Gas Conservation Commission
State of Arizona
Room 202, 1624 West Adams
Phoenix 7, Arizona

RE: Our Bonds S-1192822 & S-1216802
Besoil Company

Gentlemen:

In Mr. Jerome's letter of March 9, 1962, your office was contacting both Kirk Besoyan and his brother Serge. We are wondering if you now have their current address, and we would appreciate same if available.

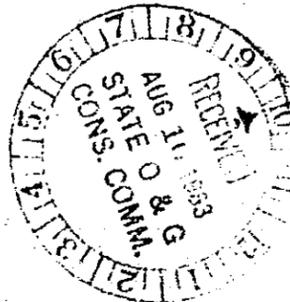
Your early advices will be sincerely appreciated.

Very truly yours,

Joseph Burke
JOSEPH BURKE
BOND DEPARTMENT

JB/cd

cc: Milton Hollmann,
Pacific Bond Department



April 22, 1963

America Fore Loyalty Group
1520 Wilshire Boulevard
Los Angeles 17, California

Attention: Mr. Joseph Burke, Bond Department

Re: Bond No. S-1192822 - Besoil Co. Hunt Fee #1,
Sec. 31, T18N, R20E and
Bond No. S-1216802 - Besoil Co. Perkins Fee #1,
Sec. 33, T18N, R20E - both
in Navajo County, Arizona

Gentlemen;

We have your letter of April 17 relative to the captioned bonds. There have been no developments concerning the wells in question since you were last notified on May 28, 1962 by this office.

Since the wells have not been properly plugged to comply with the rules and regulations of this commission, the bonds must necessarily remain in force.

Yours very truly,

N. A. Ludewick
Executive Secretary

April 17, 1963

D. A. Jerome, Executive Secretary
Oil & Gas Conservation Commission
State of Arizona
3500 North Central, Suite 221
Phoenix 12, Arizona

RE: Bonds S-1192822 & S-1216802
Kirk Beseyan, Besoil Company
Hunt #1, Sec. 31, T18N, R20E

Dear Mr. Jerome:

On May 25, 1963 Mr. Takeuchi, of our Accounting Department, wrote to you regarding the captioned bonds. We would appreciate your advice as to the present status of the litigation. I assume that if the wells have been capped, there would be no further need for our bonds.

I am enclosing a stamped self-addressed envelope for your convenience.

Very truly yours,

JOSEPH BURKE
BOND DEPARTMENT

JB/cd
Enc.

December 15, 1960

Mr. Don Jerome, Secretary
Arizona State Oil & Gas Commission
suite 211, 3500 North Central Avenue
Phoenix, Arizona

Dear Mr. Jerome:

RE: Penzance Dome

This is to notify you and the Arizona State Oil & Gas Commission, that it is our intention to start work on the Penzance Dome shortly after the first of the year.

Our intentions are to go for a helium test on the Perkins #1. To date we only ran a strat test to the Coconino (slim hole).

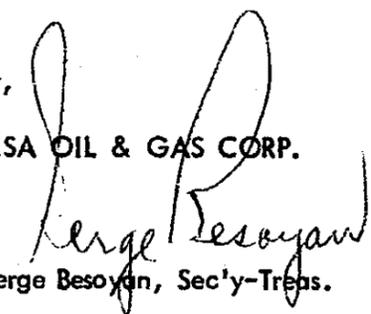
On the Arrowhead #1, we intend to run a deep test after the above helium test. This well is cased according to the requirements given us by Mr. Johnson and surface casing cemented with heavy mud in the hole.

The Hunt #1 is in litigation with Halliburton Corp. and set for trial February 5, 1961 in Federal Court in Tucson, Arizona; after disposal of this suit we intend to do further testing on this well.

Yours truly,

BLACK MESA OIL & GAS CORP.

By:


Serge Besoyan, Sec'y-Treas.

SB:imn

November 25, 1960

Mr. Kirk Besoyan
Besoil Company
P. O. Box 1
Holbrook, Arizona

Dear Mr. Besoyan:

The Attorney General has informed this office that more than thirty (30) days has elapsed since he wrote you with respect to taking action on your bond. While this office does not desire to cause hardship to the operators in this state, we must insist that the rules and regulations enacted under the Statutes of this state be enforced.

We request that you appear in the office of the Commission within ten (10) days with a plan outlining the action being taken with regard to your well, Perkins Federal #1, in Navajo County.

Yours very truly,

D. A. Jerome
Executive Secretary

For the Oil and Gas
Conservation Commission

DAJ/ew
cc: Mr. Arthur E. Ross
Assistant Attorney General

July 1, 1960

The Honorable Wade Church
Attorney General of Arizona
State Capitol Building
Phoenix, Arizona

Re: Forfeiture of bond of:
ARROWHEAD OIL & GAS CO.
State #1 Well-Kirk Besoyan, Operator
BESOIL CO. -- Kirk Besoyan, Operator,
Perkins Fed. #1 Well and Hunt Fed. #1
Well

Dear Sir:

The Oil and Gas Conservation Commission has passed a motion requesting your office to bring legal action to forfeit the bonds of each and all of the named operators for failure to comply with the rules and regulations of the Oil and Gas Conservation Commission relative to the plugging of abandoned wells.

For your assistance the records and reports of the Petroleum Engineer of the Oil and Gas Commission of Arizona show the following to exist:

1. Said applicant obtained a permit to drill and filed a bond in the amount of \$10,000 for the Arrowhead Oil and Gas Co. State #1 well, and bonds in the amount of \$2500 for the Besoil Co., Perkins Fed. #1 and Hunt Fed. #1 wells, conditioned upon his compliance with the rules and regulations of the Oil and Gas Conservation Commission of Arizona and specifically the requirement of plugging wells upon abandonment.
2. That drilling was commenced and thereafter discontinued.
3. That the rig was removed and the operator failed to plug said well as required by the rules and regulations of the Oil and Gas Conservation Commission of Arizona.
4. That the above mentioned operator has not filed an application to plug his well.
5. That the inspection of the Petroleum Engineer of this Commission has established the fact that such wells were not plugged.
6. Said operator was requested to appear before the Oil and Gas Commission of Arizona to show cause why his bond should not be forfeited for failure to plug said well and to

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Hon. Wade Church

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make application to do so as required by the rules and regulations of this Commission.

7. Said operator appeared at the office of the Oil and Gas Commission on April 19, 1959 (See Arrowhead Oil and Gas Co. file) to ask for extension of time to take action on the above-named wells, as there was a reorganization going on within the company, and to change the wording on the \$10,000 bond which covers the Arrowhead Oil and Gas Company State #1 well. It is the opinion of the Commission that more than a reasonable length of time has expired within which said operator could have plugged his said wells or resumed operation.

8. The name and address of the bonding company and agent for the bondsman for said operator is as follows:

Operator: Kirk Besoyan - Arrowhead - State #1
Bonding Company: American Employers' Insurance Co.
Agent: R.M. Parsons
Address: P.O. Box 4335, Phoenix, Arizona

Operator: Kirk Besoyan - Besoil - Perkins Fed. #1
Bonding Company: Fidelity & Casualty Co. of N.Y.
Agent: Mr. K. Nakata
Address: 548 So. Spring Street, Los Angeles 13, Calif.

Operator: Kirk Besoyan - Besoil - Fed. #1 Hunt
Bonding Company: Fidelity & Casualty Co. of N.Y.
Agent: Mr. Wm. Cotter
Address: 548 So. Spring Street, Los Angeles 13, Calif.

It is the request of the Commission, pursuant to motion to that effect unanimously adopted at its meeting of June 22, 1960, that you, as Attorney General of the State of Arizona, file action against said operators, if necessary, but particularly against the bondsmen of said operator for the purpose of forfeiting the bond and collecting the penalty thereunder for failure of the operator to comply with the rules and regulations of the Commission to plug the said wells.

There is attached for your information a copy of the form of bond required and which is the same form of bond which has been executed on behalf of the bondsman for each of the above named operators. Each of these bonds has been furnished pursuant to the rules and regulations of the Commission and the provisions of A.R.S. 27-516 A3.

Should you desire any further information concerning these matters, please advise us. Will you keep us advised concerning your actions taken thereon.

Very truly yours,
OIL AND GAS CONSERVATION
COMMISSION OF ARIZONA

By M. J. Wharton
Chairman

C
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OFFICE OF
State Land Department
STATE OF ARIZONA
Phoenix, Arizona
June 20, 1958

OBED M. LASSEN
STATE LAND COMMISSIONER

Mr. Benton L. Crowell
Special Agent,
Fidelity and Casualty Company of New York
613 Luhrs Building
Phoenix, Arizona

Dear Mr. Crowell:

Transmitted herewith is your bond S-1216802 to cover
Kirk Besoyan's Perkins #1 well in Navajo County.

The company seal, apparently inadvertently, was not
affixed during processing by your office. Would you
please see that this is accomplished and returned to
this office so that we may go ahead with our processing
of Mr. Besoyan's permit.

Very truly yours,

STATE LAND COMMISSIONER

Frederick C. Ryan

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



FCR:mb
Encl.

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The Fidelity and Casualty Company of New York

FRANK A. CHRISTENSEN, PRESIDENT J. VICTOR HERD, EXECUTIVE VICE PRESIDENT

BENTON L. CROWELL, *Special Agent*
613 Luhrs Building - Telephone ALpine 8-6053
PHOENIX, ARIZONA



June 19, 1958

State Land Commissioner
State of Arizona
Phoenix, Arizona

RE: Bond # S1216802
Kirk Besoyan

Dear Sir:

We are enclosing the original Oil Drilling Permit Bond on the above duly executed and countersigned by a Resident Agent of the State of Arizona. Please place the bond on file.

Yours very truly,


Benton L. Crowell
Special Agent

BC/kf

Enclosure

cc: Los Angeles Branch Office

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April 28, 1960

Mr. K. Nakata
Bond Department
THE FIDELITY & CASUALTY COMPANY
OF NEW YORK
548 South Spring Street
Los Angeles 13, California

RE: S1216802 - Kirk Besoyan
SEC. 33, T-18-N, R-20-E,
Navajo County, Arizona

Dear Mr. Nakata:

Subject well has not been plugged and abandoned. Mr. Besoyan was in this office and has stated that prompt action would be taken, to complete this well, or properly plug and abandon the well.

We will inform your office of future developments.

Sincerely yours,

W. F. Maule,
Petroleum Engineer

WFM:mmr

The Fidelity and Casualty Company of New York

548 SOUTH SPRING STREET
LOS ANGELES 13, CALIFORNIA
MADISON 6-0311

April 25, 1960

Oil & Gas Conservation Commission
State of Arizona
Phoenix, Arizona

Attention: Mr. F. C. Ryan, Supervisor
Oil and Gas Conservation

Re: S1216802 - Kirk Besoyan

Gentlemen:

Please refer to your letter of August 12, 1959 and advise our office if the above oil drilling bond, covering Section #33, T-18-N, R-20E, W 1/2 of SW 1/4, Navajo County, Arizona, Kirk Besoyan - Perkins #1 has been plugged and properly abandoned.

May we have the latest status on this matter so that we may close our files on this overdue bond. Any advise will be greatly appreciated.

Yours truly,

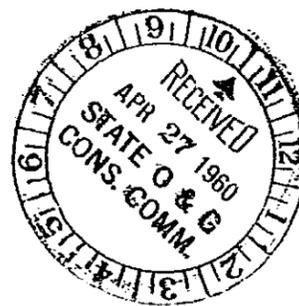

K. Nakata
Bond Department

KN:rr



America Fore
Loyalty Group

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July 10, 1958

Mr. Kirk Besoyan
P. O. Box 1
Holbrook, Arizona

Dear Mr. Besoyan:

Transmitted herewith is your copy of approved Permit No. 55 covering your drilling operation on the Perkins property in Navajo County, and located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 33, Township 18 North, Range 20 East.

Referring to your written statement filed in this office June 30, 1958, which augments the information covering your casing program as contained in the original "Notice of Intention to Drill" dated March 31, 1958, the outlined program is acceptable as filed, provided the "400 ft. of 12 inch casing cemented on bottom" is cemented with sufficient material to effect, without question, a complete shut-off of the fresh surface water.

We are also inclosing a copy of the receipt in the amount of \$25.00 covering the intent, which is for your file.

Very truly yours,

STATE LAND COMMISSIONER

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

FCR:mb
Enclosures (2)

June 26, 1958

Mr. Kirk Besoyan
P. O. Box 1
Holbrook, Arizona

Dear Mr. Besoyan:

This is to acknowledge receipt of Bond No. S1216802 written by The Fidelity and Casualty Company of New York to cover Besoil - Perkins #1 well in Section 33, Township 18 North, Range 20 East and dated June 6, 1958. The bond as originally received had not been completely executed by the surety company; however, this has since been accomplished and the returned and satisfactory bond is now in our hands.

Referring to your original Notice of Intention to Drill dated March 31, 1958, may I remind you that it is imperative, before approval of your permit, that an accurate and detailed proposed casing program be submitted, insofar as knowledge of formations will allow, and with emphasis on detailed and adequate measures to protect from pollution, loss or intermingling, all surface and fresh waters.

It is suggested that such a proposed casing program be set out by letter to this office and, if approved, it can then be incorporated as an addenda to your original O&G form 51 of March 31st.

If you desire further clarification, please call on us.

Very truly yours,

STATE LAND COMMISSIONER

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

April 25, 1958

Memorandum to: Obed M. Lassen
From: Frederick C. Ryan
Subject: Drilling operations of Kirk Besoyan, et al in violation of Oil and Gas Conservation Statutes.

The present difficulties we are experiencing with Kirk Besoyan due to his failure to comply with the provisions of the Statutes and Rules and Regulations Governing the Conservation of Oil and Gas, stem from activities of identical nature by his brother, Serge Besoyan. The activities with which we are concerned are illegal oil and gas drilling operations in Section 31, Township 18 North, Range 20 East and in Section 33 of the same Township and Range. The former location is currently called K. Besoyan - Hunt #1; the latter, K. Besoyan - Perkins #1.

There follows a very brief chronologic run-down of the history of the operations:

1. In mid-June of 1957 we had reports from oil scouts of a rig drilling on the Ben Hunt property a few miles west of Holbrook. Our Geologist, Phil Johnson made a trip to Holbrook and, during a conversation with Serge Besoyan, was told that the drilling operation was a water well although statements by the driller and the geologic formations penetrated at that time indicated very strongly that the operation was an oil or gas test.
2. With the above information as basis, Louis Duncan wrote to Mr. Besoyan by certified mail on June 27, 1957 informing him that his operation was in violation of the law. (see letter attached)
3. Phil Johnson, on November 4, 1957, reported finding of Notice of Claim of Lien and Drilling Agreement posted at well site. These documents (attached) indicate the nature of the intention of the operation contemplated.

4. From the information obtained next above and through the technical opinion of Phil Johnson, Emmet Barry and I, on November 6, 1957, called on the Attorney General seeking advice as to whether legal action on your part was an advisable procedure. The Attorney General advised that the matter might better be handled on a personal letter basis by him and it was agreed that he should take such action. (see attached letter)
5. On December 19, 1957 a letter of the 18th from Serge Besoyan was received verifying the depth of the well, a statement that he would file for permits and that the hole was not in good condition. Mr. Besoyan stated that he had an operating agreement with Harrison Producing Company of San Francisco. (see attached letter) A radiation log run by McCullough Tool Company of Farmington was attached. This log was run on November 23, 1957.
6. Bond for \$2,500 was filed by Harrison Producing Company on January 9, 1958, reputedly for the hole in question. (no Intent to Drill has yet been filed by Harrison) Any deal made by Harrison-Besoyan interests apparently culminated in the "stop-payment" of a check for \$12,100.00 by Harrison on January 21, 1958. This check was to pay up delinquencies incurred in Land Department oil and gas leases held in the name of Serge Besoyan, which had been purchased by one Alvin T. Smith at Sheriff's sale and which leases were frozen as to assignment by court order.
7. A rotary rig was reported to us as drilling on the Hunt location by a major oil company scout on February 10, 1958.
8. Telegram received from St. Paul Fire and Marine Insurance Company of San Francisco on March 13, 1958 requesting \$10,000 bond forms. (This wire was an apparent follow-up to an inquiry from the same company dated December 20, 1957 indicating that one Chas. Schmitz would act as principal on bond for the well concerned, such well being referred to in the letter as "Besoyan Brothers #7 - Penzance Dome") (see attached letter)
9. On March 19, 1958 an oil company scout reported the Besoil Company as drilling at 950' in the Hunt hole; that Besoil planned to return to a location in Section 33 (Perkins #1) to complete a well started there by another rig.
10. On March 24, 1958 Kirk Besoyan wired for permit forms; stated that Chas. Schmitz would act as principal on bond.

11. Forms requested mailed to Mr. Besoyan with letter of March 25, 1958. (see attached letter outlining application procedures).
12. On March 31, 1958, W. Dean Nutting, Attorney-at-Law, Holbrook transmitted to us in the name of Kirk Besoyan ----- Organization Report, Intents to Drill, fees and plats for the Hunt well and the Perkins well. (see attached applications)
13. On April 3, 1958, Phil Johnson and I were at the Hunt well shortly after noon. The rig was drilling away at a reported 1,350 feet. A visit to the Perkins site revealed that rig shut down because of mechanical trouble and the hole mudded in. Later a conversation with Serge Besoyan revealed that he claimed no ownership of the operation. We told him the operation was illegal and asked that he inform Kirk of this. We then talked to Mr. Nutting in Holbrook and informed him of the illegality of the operation.
14. On April 16, 1958 a verifax copy of the Commissioner's order to cease all drilling operations in either or both of these wells which was dated April 16, 1958 was served personally to Kirk Besoyan by Phil Johnson and myself. It was agreed that, according to the stipulation in last paragraph of this order that Mr. Besoyan should proceed no further than running an electrical log and casing the hole to assure protection to the hole.
15. On April 24, 1958, an oil scout called in with the information that the electric logs had been run and that they were presently running pipe.
16. On April 25, 1958, Leland Waggoner, the tool pusher on the rig called in by telephone to me and stated that he had told his crew at the end of the week immediately preceding Easter Sunday that they would not go back to work until bond had been put up by Besoyan. He further stated that Besoyan had taken over his (Waggoner's) crew and the rig; that Besoyan had forbidden Waggoner to enter onto the lease; that Besoyan had stopped payment on a check or checks given to Waggoner as reimbursement for monies paid by Waggoner to his crew.

Respectfully submitted,

Frederick C. Ryan, Supervisor
Oil and Gas Conservation

FCR:mb

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Encls.

