

CONFIDENTIAL

Release Date 1-23-70

P-M

BHP PETROLEUM, INC. (MONSANTO)
Navajo 138 106
SW4/NW4 Sec 12-40N-28E Apache Cty

sl

COUNTY Apache AREA Dry Mesa Field LEASE NO. Nav. Tr. 138
 WELL NAME Seagrams & Sons Co. Cottonwood/Thompson units + Plat. 20 R1M SW
Texas Pacific Coal & Oil Company, Navajo 138
 LOCATION SW NW SEC 12 TWP 40N RANGE 28E FOOTAGE 1980 FNL 660 FWL
 ELEV 5967 GR 5980 KB SPUD DATE 3-22-60 STATUS Producing TOTAL DEPTH 5771
 COMP. DATE 5-27-60

CONTRACTOR

CASING SIZE	DEPTH	CEMENT	LINER SIZE & DEPTH	DRILLED BY ROTARY
9 5/8	1117	900 Sks	NA	<input checked="" type="checkbox"/>
5 1/2	5766	550		DRILLED BY CABLE TOOL
2	5722			PRODUCTIVE RESERVOIR <u>Miss. 5576-5590</u> <small>m 7/69 = Paradox 5053-79 + 5085-90</small>

INITIAL PRODUCTION IP pumped 40 BO
& 206 BWP test 6-28-60

FORMATION TOPS	DEPTHS	SOURCE		REMARKS
		L.L.	E.L.	
Entrada	455'		x	
Shinarump	2045'			
Coconino	2302			
Hermosa	4050			
Ismay	4580			
Molas	5400			
Miss.	5467			
Pre-Cambrian	5750			

ELECTRIC LOGS	PERFORATED INTERVALS	PROD. INTERVALS	SAMPLE LOG
Atla, IE, GRN	5053-79 5085-90	5053-70 5085-90 Paradox	Am Strat SAMPLE DESCRP <u>(*)</u> x SAMPLE NO <u>6/5</u> CORE ANALYSIS x DSTs *Tuc 1168

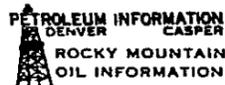
REMARKS Perf. Miss. 5576-90 + 5632-47 for
salt water injection - apparently not used for
 APP. TO PLUG _____
 PLUGGING REP. _____
 COMP. REPORT

WATER WELL ACCEPTED BY

BOND CO. Travelers Indemnity Co. (Seagram Principal) BOND NO. 1307271
 BOND AMT. \$ 150,000 Evidence of bond posted w/ BIA CANCELLED 4-30-75 DATE _____
 FILING RECEIPT 9215 LOC. PLAT WELL BOOK PLAT BOOK
 API NO. _____ DATE ISSUED 2-5-60 DEDICATION L/2 NW/4

PERMIT NUMBER 106

ARIZONA
APACHE COUNTY
DRY MESA (D)



Twp 40n-28e
Section 12
c sw nw
1980 s/n 660 e/w

OPR: Texas Pacific Coal & Oil

WELL #: #2 Navajo

ELEV: 5967 Gr.

DSTS. & CORES:

SPUD: 3-22-60

COMPL: 6-23-60

*TOPS:

Log-SM
Hermosa 4045
Molas 5398
Mississippian 5466
Devonian 5718
preCambrian 5750

Crd 4918-35, rec 7 ls w/
hairline fractures w/scat-
tered shows; 3 ls w/vuggy
poro, shows of black oil,
good fluor, sour gas odor;
7 ls, w/hairline fractures
w/oil shows. Crd 5058-79,
rec 14 ls, highly fractured
w/oil shows, vuggy poro;

TD: 5771

Re-Compl: 7-6-79
PB:

CSG: 9-5/8" @ 1118 w/900; 5 1/2" @ 5766
w/550.

PERF: 5632-47 w/4 per ft; acidized w/
500; swbd 50 BO, 25 BW in 6 1/2 hrs.
Swbd 40 BO, 211 bbls salt wtr in 24
hrs. Perf 5576-90 w/52; acidized
w/500; pumped 15 bbls load oil, 285
BWPD.

BROD. ZONE:

7 dolo, oil sat. DST 5049-79,
1350 MCFPD, rec 120 mud w/
sulfur odor. DST 5249-
5314, 35 min, gas flowed after 2 1/2 min @ rate 1185 MC
FPD, rec 90 mud. Crd 5551-92, rec 1/2 ls w/scattered vugs,
bleeding black oil; 12 vuggy dolo, bleeding oil & salt wtr,
3 vuggy & fractured ls bleeding oil. Crd 5592-5609, rec
17-2 ls, med-coarse, scattered vugs, fractures, bleeding
black oil. 4 ls, above, trace stain fluor, sh inclusions; 11
ls, finely crys, sh inclusions. Crd 5609-18, rec 9-5 ls,
finely crys, some grey chert, w/green waxy sh; 1 ls, fine to
med crys, trace scattered vuggy poro, grey chert; 3 ls, fine
*For Electric Logs on Rocky Mountain Wells—Ask Us! Log #28865.

INIT. PROD: IPP 38 BOPD, 201 BWPD,
36 gty.

Ariz. 4-067150

TEXAS PACIFIC COAL & OIL #2 NAVAJO, c sw nw, 12-40n- 28e, APACHE COUNTY,
ARIZONA PAGE 2

to coarse crys. DST 5529- 5618. SI 30 min, open 2 hrs. , SI 30 min weak blow. dead, in
2 min. , rec 25 GCM, FP 0-0#, SIP 175-25# HP 2880-2850#. Crd 5618-29, rec 11-1 $\frac{1}{2}$ ls,
fine to med crys, cherty, abundant sh; 1 ls, shaley, scattered vuggy poro; 1 $\frac{1}{2}$ dolo, finely crys,
vuggy poro, hairline fractures, bleeding brown oil; 3 dolo, cherty, trace vuggy poro; 1 $\frac{1}{2}$ dolo,
finely crys, cherty, fair to poor poro, few fractures bleeding oil; 2 $\frac{1}{2}$ dolo, shattered. Crd 5629-40,
rec 11 dolo & sh, poor to fair to good vuggy poro, tight fractures bleeding oil. Crd 5640-61, rec
21 dolo w/sh lams, good vuggy poro, tight to open fractures bleeding oil. DST 5620-61, open 4
hrs, rec 30 OCM w/small amt of free oil on top, 269 sli O&GCM, 528 sli salty wtr, FP 30-345#,
SIP(30 min) 1493#, HP 2929#. Crd 5661-86, rec 25-1 dolo, good vuggy to ppp, oil sat; wet;
6 $\frac{1}{2}$ dolo, fair to good vuggy poro, scattered fluor, scattered calcite filled vugs; 1 dolo w/show
of oil; 16 dolo, vert fractures good vuggy poro.

Well Recompleted 7/69 - First Sales 5/91

WELL COMPLETION OR RECOMPLETION REPORT AND WELL LOG						
DESIGNATE TYPE OF COMPLETION: <input checked="" type="checkbox"/> Other <input type="checkbox"/> New Well <input type="checkbox"/> Work-Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Same Reservoir <input type="checkbox"/> Different Reservoir <input type="checkbox"/> Oil <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Dry						
DESCRIPTION OF WELL AND LEASE						
Operator Dry Mesa Corporation			Address Box 5446, Farmington, NM 87499			
Federal, State or Indian Lease Number or name of lessor if free lease 14-20-603-4190			Well Number #2	Field & Reservoir Dry Mesa - Barker Creek		
Location 1980' FNL & 660' FWL			County Apache			
Sec. TWP-Range or Block & Survey SW NW Sec. 12 T40N R28E						
Date spudded 3/22/60		Date total depth reached		Date completed, ready to produce 7/30/69	Elevation (DF, RKB, RT or Gr.) 5980 feet	Elevation of casing hd. flange 5976 feet
Total depth 5771'		P.B.T.D. 5476'	Single, dual or triple completion? Single		If this is a dual or triple completion, furnish separate report for each completion.	
Producing interval (s) for this completion Barker Creek			Rotary tools used (interval)		Cable tools used (interval)	
Was this well directionally drilled? NO		Was directional survey made? NO		Was copy of directional survey filed? -	Date filed -	
Type of electrical or other logs run (check logs filed with the commission) Dresser Atlas GR - Neutron					Date filed 7/69	
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
Surface	13-3/8"	9-5/8"	32.3#	1118'	900	
Product.	8-3/4"	5-1/2"	14#	5766'	550	
TUBING RECORD			LINER RECORD			
Size	Depth set	Packer set at	Size	Top	Bottom	Sacks cement
2-3/8n.	5053 ft.	5032 ft.	- in.	- ft.	- ft.	-
PERFORATION RECORD			ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD			
Number per ft.	Size & type	Depth Interval		Am't. & kind of material used		Depth Interval
2	4" NCF-II	5053' - 5079'		2500 gal 15% HCL		
		5085' - 5090'				
INITIAL PRODUCTION						
Date of first production 7/17/69		Producing method (indicate if flowing, gas lift or pumping—if pumping, show size & type of pump.) Flowing				
Date of test 7/23/69	Hrs. tested 72	Choke size 16/64	Oil prod. during test 12.6 bbls.	Gas prod. during test 5885 MCF	Water prod. during test 2.2 bbls.	Oil gravity 62.8 API (Corr)
Tubing pressure 950 psi	Casing pressure PKR	Cal'ed rate of Production per 24 hrs.	Oil 6 bbls.	Gas 2030 MCF	Water 1 bbls.	Gas-oil ratio 467,000
Disposition of gas (state whether vented, used for fuel or sold): 7/69 - 5/91 Lease Fuel After 5/91, Sold and Lease Fuel						
CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <u>President</u> of the <u>Dry Mesa Corporation</u> (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 5/7/91	Signature AZ OIL & GAS					
CONSERVATION COMMISSION						
MAY 7 1991						
Permit No. 106			STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Well Completion or Recompletion Report and Well Log Form No. 4 File One Copy			

COLEMAN OIL GAS, INC.
 Dry Mesa #2
 1980' FNL 660' FWL
 SEC 12, T40N, R28E

PIN 106

SURFACE CASING
 9 5/8" CSG. @ 1118 FT. KB
 CEMENTED WITH 900 SXS

PRODUCTION CASING
 5 1/2", 14#, J-55, @ 0-5426 FT. KB.
 5 1/2", 15.5#, J-55, @ 5426-5766 FT. KB.

TUBING STRING
 138 JOINTS 4340.10 FT.
 TUBING ANCHOR
 4 JOINTS 123.68 FT.
 SEATING NIPPLE
 PERFORATED SUB
 2 JOINTS 62.50 FT.
 TAPPED BULL PLUG

2 3/8" SN @ 4478.53 FT. KB.
 2 3/8" ANCHOR @ 4342.10 FT. KB.
 2 3/8" BTM TBG @ 4546.55 FT. KB.
 SN 1.78 I.D.

BAKER MODEL D @5476
 W/ DRILLABLE PLUG

T.D. @ 5771 FT. KB.

TOP OF CEMENT @ 4100 FT. KB.

PERFORATIONS @

- 4428-4436
- 4687-4691
- 4783-4786
- 4859-4866
- 4898-4900
- 4913-4918
- 4924-4932
- 4959-4962
- 4965-4972
- 4982-4986
- 5053-5079
- 5085-5090
- 5128-5134
- 5144-5146
- 5236-5245
- 5277-5280
- 5289-5294
- 5302-5305

**LEADVILLE INTERVAL
 PERFORATIONS @**

- 5576-5590
- 5632-5647



OFF: (505) 325-5667
 FAX: (505) 327-1496



LAB: (505) 325-1556
 FAX: (505) 327-1496

ANALYTICAL REPORT

Date: 14-Jul-00

Client: Coleman Oil and Gas Company	Client Sample Info: Coleman Oil and Gas
Work Order: 0006053	Client Sample ID: Dry Mesa Well #2 <i>7/11/06</i>
Lab ID: 0006053-01A Matrix: AQUEOUS	Collection Date: 6/22/2000 12:00:00 PM
Project: Coleman Oil and Gas	COC Record: 10759

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
CALCIUM, DISSOLVED		E215.1				Analyst: HR
Calcium	1340	250		mg/L	1000	7/10/2000
IRON, DISSOLVED		E236.1				Analyst: HR
Iron	0.43	0.1		mg/L	1	7/11/2000
POTASSIUM, DISSOLVED		E258.1				Analyst: HR
Potassium	420	50		mg/L	200	6/30/2000
MAGNESIUM, DISSOLVED		E242.1				Analyst: HR
Magnesium	380	50		mg/L	200	7/10/2000
SODIUM, DISSOLVED		E273.1				Analyst: HR
Sodium	8100	1250		mg/L	5000	6/30/2000
ALKALINITY, TOTAL		M2320 B				Analyst: HR
Alkalinity, Bicarbonate (As CaCO3)	850	5		mg/L CaCO3	1	6/29/2000
Alkalinity, Carbonate (As CaCO3)	ND	5		mg/L CaCO3	1	6/29/2000
Alkalinity, Hydroxide	ND	5		mg/L CaCO3	1	6/29/2000
Alkalinity, Total (As CaCO3)	850	5		mg/L CaCO3	1	6/29/2000
CHLORIDE		E325.3				Analyst: HR
Chloride	12800	1		mg/L	1	6/29/2000
HARDNESS, TOTAL		M2340 B				Analyst: HR
Hardness (As CaCO3)	4900	1		mg/L	1	6/27/2000
PH		E150.1				Analyst: HR
pH	6.83	2		pH units	1	6/23/2000
RESISTIVITY (@ 25 DEG. C)		M2510 C				Analyst: HR
Resistivity	0.281	0.001		ohm-m	1	6/27/2000
SPECIFIC GRAVITY		M2710 F				Analyst: HR
Specific Gravity	1.017	0.001		Units	1	6/28/2000
SULFATE		M4500-SO4 D				Analyst: HR
Sulfate	1470	5		mg/L	1	6/29/2000
TOTAL DISSOLVED SOLIDS		E160.1				Analyst: HR
Total Dissolved Solids (Residue, Filterable)	26800	40		mg/L	1	6/27/2000
TOTAL DISSOLVED SOLIDS		CALC				Analyst: HR
Total Dissolved Solids (Calculated)	25100	40		mg/L	1	7/11/2000

Perfs 4428-5305 TP Patadox

Qualifiers: PQL - Practical Quantitation Limit
 ND - Not Detected at Practical Quantitation Limit
 J - Analyte detected below Practical Quantitation Limit
 B - Analyte detected in the associated Method Blank
 S - Spike Recovery outside accepted recovery limits
 R - RPD outside accepted recovery limits
 E - Value above quantitation range
 Surr - Surrogate

P.O. BOX 2606 • FARMINGTON, NM 87499

- TECHNOLOGY BLENDING INDUSTRY WITH THE ENVIRONMENT -



OFF: (505) 325-5667
FAX: (505) 327-1496



LAB: (505) 325-1556
FAX: (505) 327-1496

On Site Technologies, LTD.

Date: 14-Jul-00

CLIENT: Coleman Oil and Gas Company
Project: Coleman Oil and Gas
Lab Order: 0006053

CASE NARRATIVE

Samples were analyzed using the methods outlined in the following references:

Test Methods for Evaluating Solid Waste, Physical/Chemical Methods, SW846, 3rd Edition.
Methods for Chemical Analysis of Water and Wastes, EPA-600/4-79-020, March 1983.
Standard Methods for the Examination of Water and Wastewater, 18th Edition, 1992.

All method blanks, laboratory spikes, and/or matrix spikes met quality assurance objectives.

Any quality control and/or data qualifiers associated with this laboratory order will be flagged in the analytical result page(s) or the quality control summary report(s).

Cation-Anion Balance 0006053-01A Dry Mesa Well #2
Total Cation-Anion = 867.86 meq/L
Difference Cation-Anion = 54.47 meq/L
% Difference = 6.3 %

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Cation-Anion Balance 0006053-02A Dry Mesa Well #3
Total Cation-Anion = 910.78 meq/L
Difference Cation-Anion = 15.66 meq/L
% Difference = 1.7 %

Cation-Anion Balance 0006053-03A Dry Mesa Well #10
Total Cation-Anion = 1177.25 meq/L
Difference Cation-Anion = 52.37 meq/L
% Difference = 4.4 %

Cation-Anion Balance 0006053-04A Dry Mesa Well #6
Total Cation-Anion = 4175.30 meq/L
Difference Cation-Anion = 194.97 meq/L
% Difference = 4.7 %

Cation-Anion Balance 0006053-05A Dry Mesa Well Composite
Total Cation-Anion = 1359.66 meq/L
Difference Cation-Anion = 84.97 meq/L
% Difference = 6.2 %



1 of 1

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 FAX: (505) 327-1496



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ANALYTICAL REPORT

Date: 14-Jul-00

Client: Coleman Oil and Gas Company	Client Sample Info: Coleman Oil and Gas
Work Order: 0006053	Client Sample ID: Dry Mesa Comp. #2, 3, 10, & 6
Lab ID: 0006053-05A Matrix: AQUEOUS	Collection Date: 6/22/2000
Project: Coleman Oil and Gas	COC Record: 10759

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
CALCIUM, DISSOLVED		E215.1				Analyst: HR
Calcium	3770	250		mg/L	1000	7/10/2000
IRON, DISSOLVED		E236.1				Analyst: HR
Iron	1.2	0.1		mg/L	1	7/11/2000
POTASSIUM, DISSOLVED		E258.1				Analyst: HR
Potassium	520	100		mg/L	400	6/30/2000
MAGNESIUM, DISSOLVED		E242.1				Analyst: HR
Magnesium	540	50		mg/L	200	7/10/2000
SODIUM, DISSOLVED		E273.1				Analyst: HR
Sodium	11000	1250		mg/L	5000	6/30/2000
ALKALINITY, TOTAL		M2320 B				Analyst: HR
Alkalinity, Bicarbonate (As CaCO3)	960	5		mg/L CaCO3	1	6/29/2000
Alkalinity, Carbonate (As CaCO3)	ND	5		mg/L CaCO3	1	6/29/2000
Alkalinity, Hydroxide	ND	5		mg/L CaCO3	1	6/29/2000
Alkalinity, Total (As CaCO3)	960	5		mg/L CaCO3	1	6/29/2000
CHLORIDE		E325.3				Analyst: HR
Chloride	21100	1		mg/L	1	6/29/2000
HARDNESS, TOTAL		M2340 B				Analyst: HR
Hardness (As CaCO3)	11600	1		mg/L	1	7/11/2000
PH		E150.1				Analyst: HR
pH	6.16	2		pH units	1	6/23/2000
RESISTIVITY (@ 25 DEG. C)		M2510 C				Analyst: HR
Resistivity	0.177	0.001		ohm-m	1	6/27/2000
SPECIFIC GRAVITY		M2710 F				Analyst: HR
Specific Gravity	1.029	0.001		Units	1	6/28/2000
SULFATE		M4500-SO4 D				Analyst: HR
Sulfate	1230	5		mg/L	1	6/29/2000
TOTAL DISSOLVED SOLIDS		E160.1				Analyst: HR
Total Dissolved Solids (Residue, Filterable)	43600	40		mg/L	1	6/27/2000
TOTAL DISSOLVED SOLIDS		CALC				Analyst: HR
Total Dissolved Solids (Calculated)	38700	40		mg/L	1	7/11/2000

Qualifiers: PQL - Practical Quantitation Limit S - Spike Recovery outside accepted recovery limits
 ND - Not Detected at Practical Quantitation Limit R - RPD outside accepted recovery limits
 J - Analyte detected below Practical Quantitation Limit E - Value above quantitation range
 B - Analyte detected in the associated Method Blank Surr: - Surrogate

P.O. BOX 2606 • FARMINGTON, NM 87499

- TECHNOLOGY BLENDING INDUSTRY WITH THE ENVIRONMENT -



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Oil Well Gas Well Other

2. Name of Operator
Coleman Oil & Gas, Inc.

3a. Address
Drawer 3337

3b. Phone No. (include area code)
(505)327-0356

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FNL & 660' FWL, Section 12, T40N, R28E

5. Lease Serial No.
14-20-603-4190

6. If Indian, Allottee or Tribe Name
Navajo

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Tract 138 #2 P/N 104

9. API Well No.
02-001-05303

10. Field and Pool, or Exploratory Area
Dry Mesa Field

11. County or Parish, State
Apache County, AZ.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other SQUEEZE HOLE & PUT ON ROD PUMP

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

- MIRU JUNE 22, 1999. HELD SAFETY MEETING, RIGGED UP H2S EQUIPMENT.
- RELEASED PRODUCTION PACKER & POOH.
- RIH WITH RBP & ARROW 32A PACKER AND ISOLATED HOLE IN CASING FROM 3600-3644 FT. KB.
- ESTABLISHED RATE INTO HOLES. PUMPED 50 SACKS CLASS B WITH LOW FLUID LOSS AND 25 SACKS REGULAR CLASS B CEMENT. STAGGED CEMENT, PRESSURE INCREASED TO 1000 PSIG.
- POOH WITH SQUEEZE PACKER AND RIH WITH BIT & SCRAPER. DRILLED OUT CEMENT AND PRESSURE TESTED TO 500 PSIG.
- RIH WITH RETRIEVING HEAD AND 2 3/8" TUBING, POOH WITH RBP.
- RIH WITH PRODUCTION TUBING AND SET WITH BOTTOM @ 5289 FT. KB.
- RIH WITH PUMP AND RODS . PUT BACK ON PRODUCTION JULY 06, 1999.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Michael T. Hanson Title Engineer

Signature Michael T. Hanson Date February 29, 2000



THIS SPACE FOR FEDERAL OR STATE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Form 3160-5
(November 1994)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or reenter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0133
Expires July 31, 1996

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Oil Well Gas Well Other

2. Name of Operator
Coleman Oil & Gas, Inc.

3a. Address
Drawer 3337

3b. Phone No. (include area code)
(505)327-0356

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FNL & 660' FWL, Section 12, T40N, R28E

5. Lease Serial No.
14-20-603-4190

6. If Indian, Allottee or Tribe Name
Navajo

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Tract 138 #2 PIN 106

9. API Well No.
02-001-05303

10. Field and Pool, or Exploratory Area
Dry Mesa Field

11. County or Parish, State
Apache County, AZ.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other SQUEEZE HOLE

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

- MIRU DECEMBER 30 1997. HELD SAFETY MEETING, RIGGED UP H2S EQUIPMENT.
- RELEASED PRODUCTION PACKER & POOH.
- RIH WITH RBP & ARROW 32A PACKER AND ISOLATED HOLE IN CASING FROM 1710-1773 FT. KB.
- ESTABLISHED RATE UP BRAIDEN HEAD. PUMPED 235 SACKS CLASS B WITH 2% METASILICATE AND 185 SACKS REGULAR CLASS B CEMENT. STAGGED CEMENT, PRESSURE INCREASED TO 600 PSIG. CIRCULATED TEN BARRELS OF CEMENT TO SURFACE.
- POOH WITH SQUEEZE PACKER AND RIH WITH BIT & SCRAPER. DRILLED OUT CEMENT AND PRESSURE TESTED TO 500 PSIG.
- RIH WITH RETRIEVING HEAD AND 2 3/8" TUBING, POOH WITH RBP.
- RIH WITH PRODUCTION TUBING AND SET WITH BOTTOM @ 4297 FT. KB. MODEL R PACKER @ 4295 FT. KB.
- PUT BACK ON PRODUCTION JANUARY 8, 1998.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **Michael T. Hanson** Title **Engineer**

Signature *Michael T. Hanson* Date **February 29, 2000**

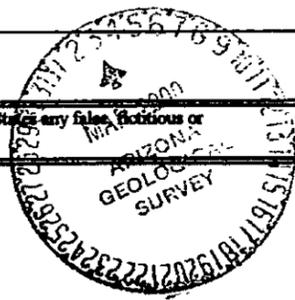
THIS SPACE FOR FEDERAL OR STATE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



Form 3160-5
(November 1994)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Oil Well Gas Well Other

2. Name of Operator
Coleman Oil & Gas, Inc.

3a. Address
Drawer 3337

3b. Phone No. (include area code)
(505)327-0356

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FNL & 660' FWL, Section 12, T40N, R28E

5. Lease Serial No.
14-20-603-4190

6. If Indian, Allottee or Tribe Name
Navajo

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Tract 138 #2 7/N 106

9. API Well No.
02-001-05303

10. Field and Pool, or Exploratory Area
Dry Mesa Field

11. County or Parish, State
Apache County, AZ.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

SEE ATTACHED SUMMARY REPORT. Dated Nov 30, 1997
INDIVIDUAL ZONES WERE NOT ISOLATED AND TESTED SEPARATELY DO TO PROBLEMS SETTING AND RETRIEVING RETRIEVABLE BRIDGE PLUG AND PACKER IN OLD CASING.



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **Michael T. Hanson** Title **Engineer**

Signature *Michael T. Hanson* Date **February 29, 2000**

APPROVED FOR FEDERAL OR STATE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

November 30, 1997

Mr. Paul Thompson
Thompson Engineering
7415 E. Main
Farmington, NM 87401

PIA 106

REFERENCE: Summary Report of Work-Over Reports
Navajo Tract #138 Dry Mesa #2

Moved in and rigged up, BOP and Hydrogen Sulfide Safety Equipment. Replaced tubing with new and yellow band. Set retrievable bridge plug at 4463 and packer at 4437. Pressure tested tubing casing annulus to 500 psi. Lost 200 psi in fifteen minutes.

Run in hole with bit and scraper to 5444, rolled hole with produced water.

Perforated the following zones at 2 jspf. Total number of holes 158 with 12 gram charges.

4428 - 4436'	4965 - 4972'
4687 - 4691'	4982 - 4986'
4783 - 4786'	5128 - 5134'
4859 - 4866'	5144 - 5146'
4898 - 4900'	5236 - 5245'
4913 - 4918'	5277 - 5280'
4924 - 4932'	5289 - 5294'
4959 - 4962'	5302 - 5305'

Acidized with bridge plug and packer in six separate sets. A total of 11,850 gallons, 20% HCL with additives was used.

Ran in hole with production tubing and redressed packer, pumped packer fluid and set packer at 4289 with bottom of the tubing at 5243. Pressure tested tubing casing annulus to 500 psi. Could not pressure up on tubing casing annulus. Opened surface casing with returns of one to two barrels per minute at 200 psi. Obtained verbal approval from Farmington Bureau of Land Management to flow test well. Flow tested well.

Put back on production on October 27th, 1997 at 4 o'clock p.m.

Michael T. Hanson
Area Supervisor



November 30, 1997

Mr. Paul Thompson
Thompson Engineering
7415 E. Main
Farmington, NM 87401

PIN 106

REFERENCE: Summary Report of Work-Over Reports
Navajo Tract #138 Dry Mesa #2

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Run in hole with bit and scraper to 5444, rolled hole with produced water.

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Michael T. Hanson
Area Supervisor



In Lieu of
Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE		5. Lease Designation and Serial No. 14-20-603-4190
		6. If Indian, Allottee or Tribe Name Navajo
		7. If Unit or CA, Agreement Designation
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. <i>PIN 106</i> Tract 138 #2	
2. Name of Operator Thompson Engineering and Production Corp.	9. API Well No. <i>02-001-05303</i>	
3. Address and Telephone No. C/O Walsh Engineering & Production Corp. 7415 East Main Farmington, NM 87402 505-327-4892	10. Field and Pool, or Exploratory Area Dry Mesa Field	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 660 FWL, Section 12, T40N, R28E	11. County or Parish, State Apache County, AZ.	

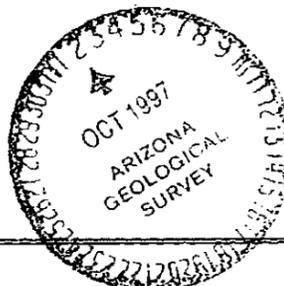
CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other MIT Test	<input type="checkbox"/> Dispose Water
		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

A mechanical integrity test was run on 9/26/97 on the 5-1/2" production casing. The pressure dropped from 560 psig to 120 psig in 30 min. Chart attached.

A workover rig will be moved on the location as soon as possible. Thompson proposes to pull the production packer at 5032' and retest the casing. Any repairs, if necessary will be performed at this time. Thompson also proposes to perforate additional zones in the Barker Creek formation and stimulate them with a 28% HCl treatment.

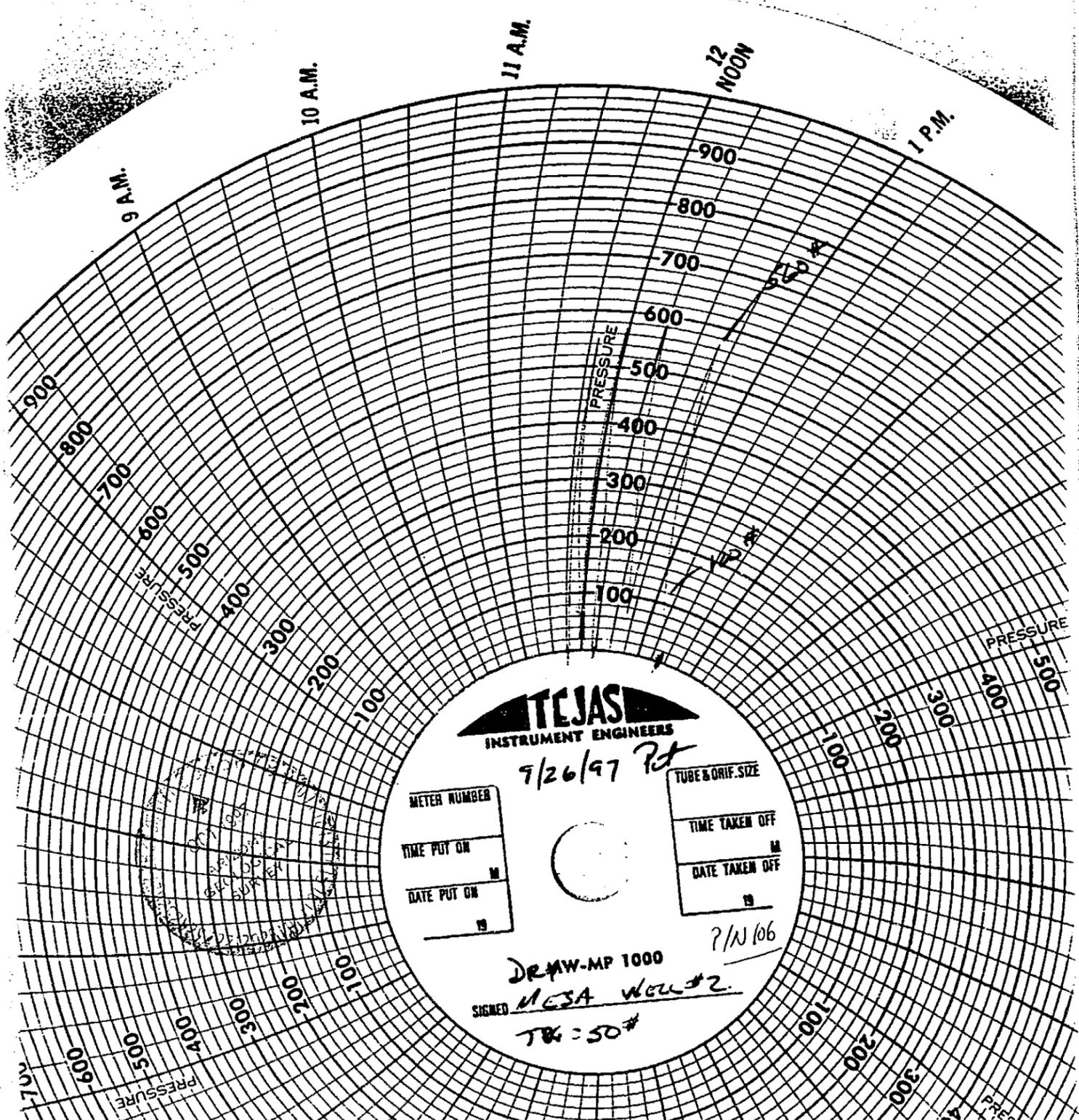


14. I hereby certify that the foregoing is true and correct

Signed Paul C. Thompson (Paul C. Thompson) Title President Date September, 29, 1997

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:



TEJAS
INSTRUMENT ENGINEERS

7/26/97 P/W

METER NUMBER
TIME PUT ON
DATE PUT ON

TUBE & ORIF. SIZE
TIME TAKEN OFF
DATE TAKEN OFF

DRAW-MP 1000
SIGNED MESA WEL #2
TR: 50

P/W/06

10 A.M.

11 A.M.

12 NOON

1 P.M.

9 A.M.

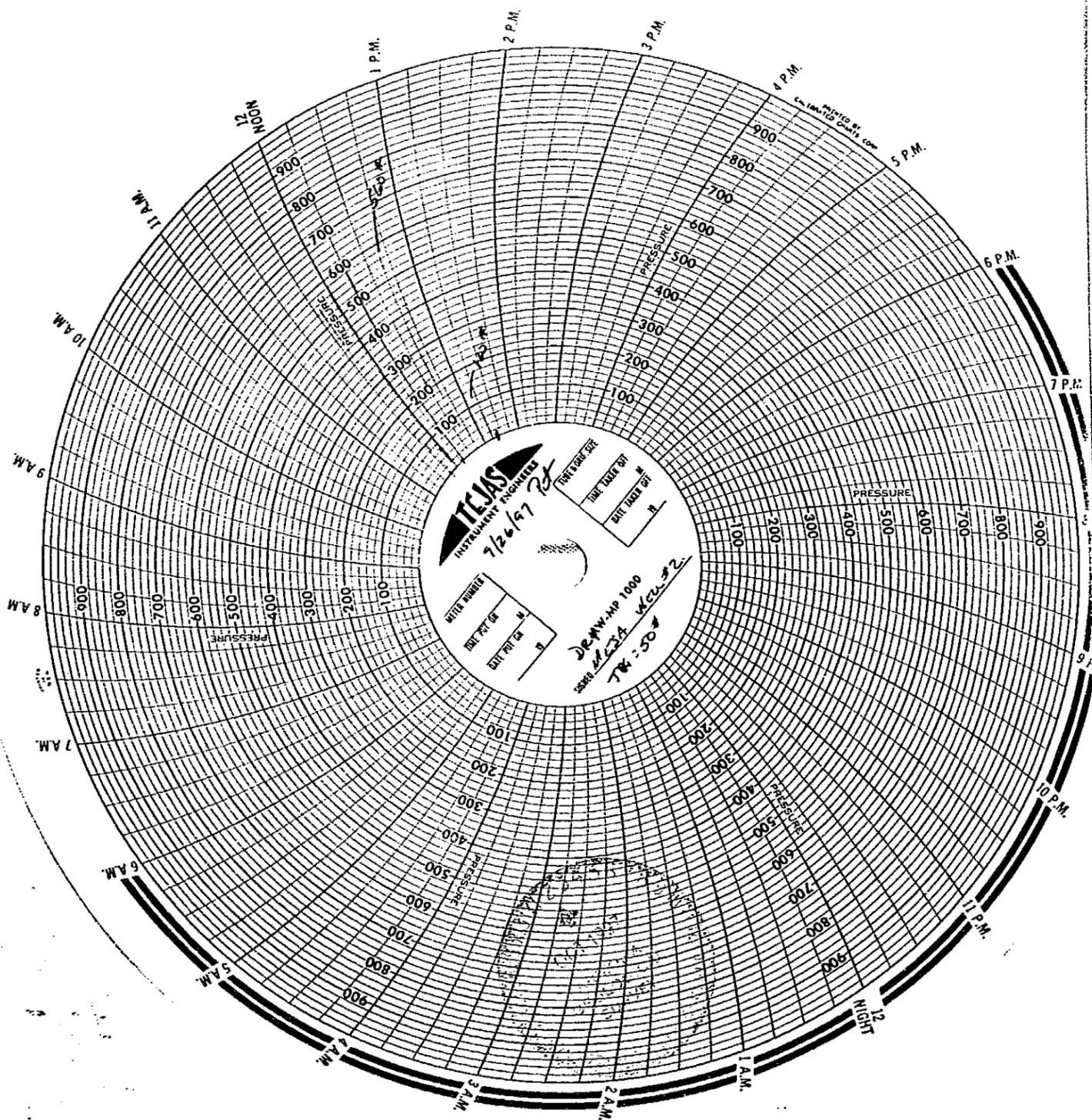
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PRESSURE
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TEXAS
 INSTRUMENTS
 7/26/67
 DIAW-MP 1000
 SERIAL 427A WCEL-#2
 TR-504

PRINTED BY
 LA. INDUSTRIAL CHARTS CO.

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Dry Mesa Corporation

3. Address and Telephone Number
15 Willowbrook, Wichita, Kansas 67207 (316) 684-0420

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1980' FNL & 660' FWL, SEC 12
 T. 40 N., R. 28 E.**

FORM APPROVED
 Budget Bureau No. 1004-0135
 Expires March 31, 1993

5. Lease Designation and Serial Number
Tract 138 #14-20-603-4190

6. If Indian, Allottee or Tribe Name
Navajo

7. If Unit or CA, Agreement Designation
- NA - Permit 106

8. Well Name and Number
Well # 2

9. API Well Number
02-001-05303

10. Field and Pool, or Exploratory Area
Dry Mesa Field

11. County or Parish, State
Apache County, Arizona

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent <input type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other WELL STATUS <input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)

13. Describe Proposed or Completion Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true depths for all markers and zones pertinent to this work.)

SUNDRY NOTICE IN REPLY TO 14-20-603-410 (WC) 3162.3-2 (7300) FEB. 13, 1996 S. MASON / K. TOWNSEND: WELL STATUS FOR DRY MESA WELL #2, LAST PRODUCED 1/94

REQUEST FOR CONTINUED SHUT-IN STATUS

Dry Mesa Corporation is requesting continued shut-in status for Dry Mesa Field Well #2 (gas well). Due to continuing legal and financial constraints imposed by Dry Mesa Corporation bankruptcy, we have not been allowed / financially able to bring the well back in to production. As of 3/96, the well is incapable of commercial production. Swab testing in 5/94 yielded water plus gas. The water influx was sufficient to kill the well: there is no pressure on the surface at the wellhead. It is thought that a leaking bridge plug above the abandoned perfs in the Leadville is the source of this water. A workover was planned to test this bridge plug and recompleate the well in additional potentially productive zones. Additional gas bearing zones in this well have been identified by DST's, log analysis, mud log gas shows, and by correlation with productive zones in Black Rock Field wells one section west of this well. Pending resolution of bankruptcy, sale, or release of operating capitol, Dry Mesa Corporation plans to test and recompleate this well and bring it back on production. A current wellbore diagram is attached for reference. A summary of potential reserves is also attached.

14. I hereby certify that the forgoing is true and correct

Signed _____ Title **Geologist** Date **March 19, 1996**

(This space for Federal or State office use)

Approved by _____ Title _____

Conditions for Approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Summary of Prospective Zones Navajo Tract 138 - Well #2

Dry Mesa Field
SW/NW Section 12 T40N-R28E Apache County, Arizona

P/W 106

Available Information: Logs: (1960 vintage - fair to poor quality) GR/Neutron,
Sonic, Induction/Electric, Mudlog, 4 DST's, 9 Cores
(zones analyzed had mud log shows)

Pennsylvanian:
Honaker Trail Formation

Honaker Trail

Depth	4428' - 4436'
Lithology	sandy limestone
Thickness	8'
Aver. Porosity	10.2%
Aver. Water Saturation	32.7%
Mud Gas Show	excellent gas / no oil
DST/Core Data	none

Estimated Recoverable Reserves: 328,000 MCF (appears to be dry gas)

Comments: Samples indicate fractures, good to excellent perm is indicated. This zone was perfed in Universal Resources - Nav. 1-15, P&A, pre-Black Rock Field, no productivity data was given.

Paradox Formation

Upper Ismay

No zones appear to have commercial potential.

Lower Ismay

A slight gas show occurred from 2 porosity zones at 4687' - 4689' and 4694' - 4698'. The lithology is clean limestone grading to very shaley limestone. Average porosity is 4.5%. These zones are equivalent to the zone perfed in Well #5. These two zones are probably non-commercial due too low porosity and perm..

Lower Ismay

Depth	4730' - 4734'
Lithology	clean limestone
Thickness	4'
Aver. Porosity	6.4%
Aver. Water Saturation	37.4%
Mud Gas Show	fair gas / fair oil / light yellow fluor and cut
DST/Core Data	none

Estimated Recoverable Reserves: 103,000 MCF + 150 bls condensate

Comments: This zone appears very marginal due to thickness.



Desert Creek

Depth 4783' - 4787'
Lithology chalky limestone
Thickness 4'
Aver. Porosity 5.4%
Aver. Water Saturation 41.4%
Mud Gas Show fair gas / fair oil / yellow fluor and cut
DST/Core Data none

P/W 106

Estimated Recoverable Reserves: 85,000 MCF + 120 bls condensate

Comments: Zone is very marginal due to thickness and low porosity. Chalky characteristics are high Sw, low perm, and poor production.

Desert Creek

A fair gas show with oil indications occurred in a zone at 4860' - 4865'. Logs indicate maximum porosity < 5%. Cuttings gas was very high indicating low perm. Zone is probably not commercial.

Akah

Depth 4898' - 4900' / 4914' - 4942' (gross)
Lithology clean limestone grading to dolomitic limestone
Thickness 14' total
Aver. Porosity 6%
Aver. Water Saturation 39.8%
Mud Gas Show excellent gas / fair to good oil / yellow fluor and cut
DST/Core Data Core: 4918' - 4935' / fractured to tite / bleeding oil and gas

Estimated Recoverable Reserves: 350,000 MCF + 520 bls condensate

Comments: Measured core porosity was low, however all measured core porosity has been lower than the wells subsequent productivity would indicate. Core reported vertical fractures and H2S odor.

Akah

Zones at 4959' - 4974' and 5012' - 5016' had fair mud log gas shows with some oil indicators. The rock is a very limey, shaley, dolomite with porosity < 5%. Zones are probably too tite to be commercial.

Barker Creek

Well is perforated and producing from 5052' - 5092'. Well has made (metered) 697,000 MCF and 500 bls Condensate as of 12/92. Well has been supplying lease fuel for 2 pump jacks and 2 heater treaters since 1969, some of this gas was metered, most was not. Assuming 25 MCF unmetered lease fuel gas/day, well has made somewhere around 200,000 MCF unmetered lease fuel over the last 23 years for a total production around 900,000 MCF. (25 MCF/day lease fuel may be low)

Estimated Remaining Recoverable Reserves: 330,000 MCF + 490 bls condensate

Barker Creek

Zones at 5129' - 5132' and 5155' - 5160' had fair to poor mud gas shows with oil indicators. Porosity is less than 5%. Zones are probably too tite to be commercial.



Pinkerton Trail Formation

Pinkerton Trail

Depth 5236' - 5246'

Lithology slightly dolomitic, sandy limestone

Thickness 10'

Aver. Porosity 6.7%

Aver. Water Saturation 27.2%

Mud Gas Show excellent gas / fair oil / yellow fluor and cut

DST/Core Data DST: 5225' - 5253' / 1,185 MCF/day / FSIP 1510 psi

Estimated Recoverable Reserves: 361,000 MCF + 540 bls condensate

Comments: Zone looks very prospective. DST reported strong sulfur odor.

?/N 106

Pinkerton Trail

Depth 5278' - 5280' / 5289' - 5295' (gross)

Lithology slightly dolomitic, shaley limestone

Thickness 6'

Aver. Porosity 7.6%

Aver. Water Saturation 34.3%

Mud Gas Show excellent gas / fair oil / yellow fluor and cut

DST/Core Data none

Estimated Recoverable Reserves: 228,000 MCF + 340 bls condensate

Comments: Log calculations may be shale influenced. Zone at 5289' - 5295' was very shaley and had very high cuttings gas which may indicate low perm.

Mississippian:

NOTE: There is a CIBP set at 5476'. In order to evaluate lower formations, this plug would need to be drilled out.

Leadville Formation

Well was originally perforated at 5576' - 5590' (limestone) and 5632' - 5647' (dolomite) in the Leadville. Well made 16,000 bls oil before going to water. A slight gas show with oil indicators occurred in a zone at 5537' - 5548'. Lithology is limestone with calculated porosity of 4%. (in the other wells, all oil production comes from dolomites) This zone appears to be equivalent to the lower producing zone in Well #6. Zone is probably too tight to be commercial. No other zones look prospective.

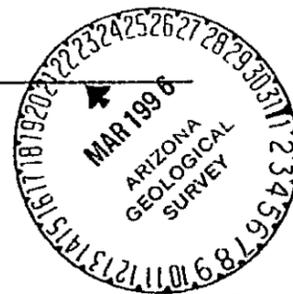
Potential Remaining Recoverable Reserves

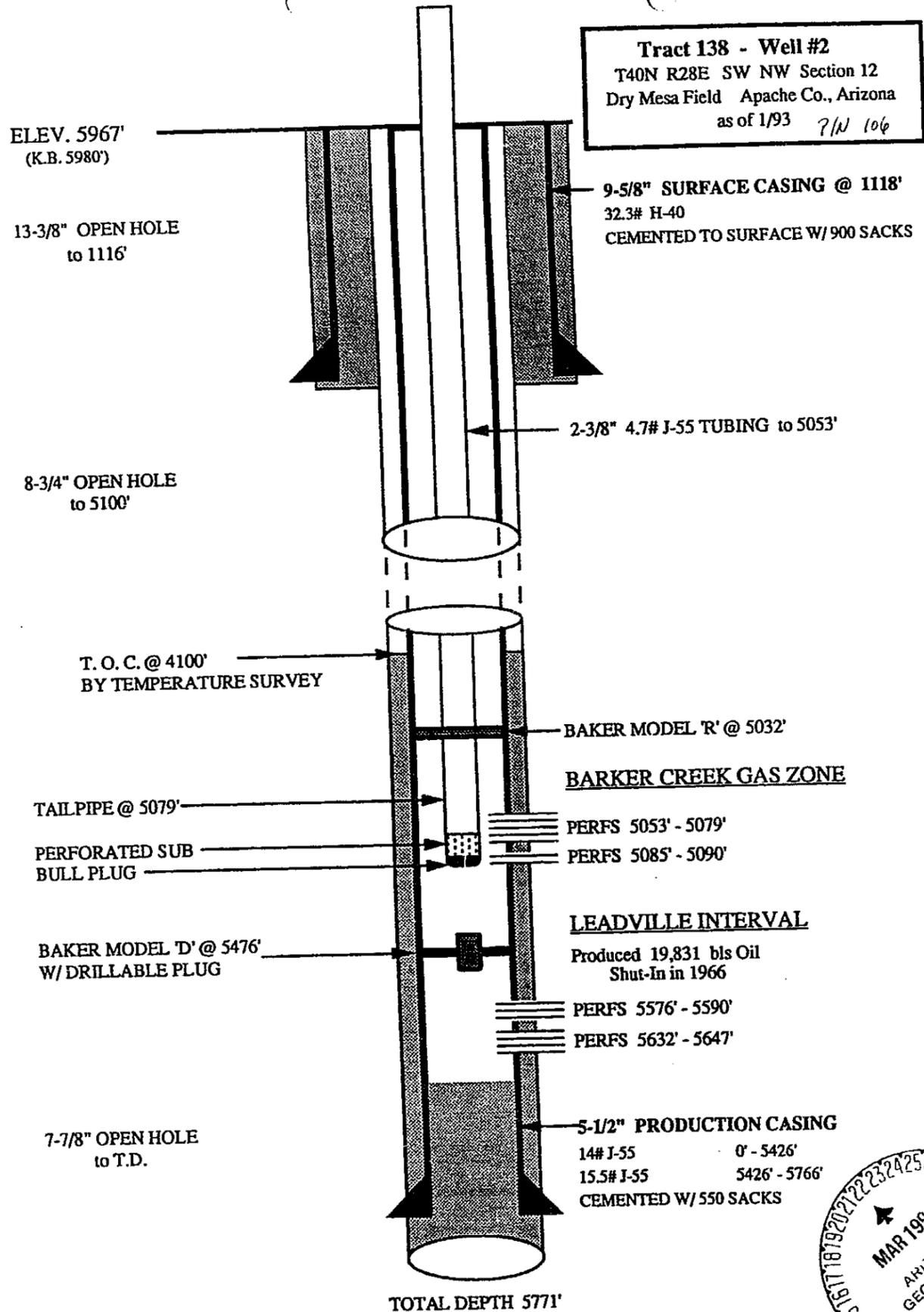
1,597,000 MCF Gas ***

1900 BLS. Condensate (Est. 1.5 bls condensate per 1,000 MCF)

0 BLS. Oil

*** marginal Lower Ismay and Desert Creek zones not included





Tract 138 - Well #2
 T40N R28E SW NW Section 12
 Dry Mesa Field Apache Co., Arizona
 as of 1/93 ?/N 106

ELEV. 5967'
 (K.B. 5980)

13-3/8" OPEN HOLE
 to 1116'

9-5/8" SURFACE CASING @ 1118'
 32.3# H-40
 CEMENTED TO SURFACE W/900 SACKS

8-3/4" OPEN HOLE
 to 5100'

2-3/8" 4.7# J-55 TUBING to 5053'

T. O. C. @ 4100'
 BY TEMPERATURE SURVEY

BAKER MODEL 'R' @ 5032'

BARKER CREEK GAS ZONE

TAILPIPE @ 5079'

PERFS 5053' - 5079'

PERFORATED SUB
 BULL PLUG

PERFS 5085' - 5090'

BAKER MODEL 'D' @ 5476'
 W/ DRILLABLE PLUG

LEADVILLE INTERVAL

Produced 19,831 bls Oil
 Shut-In in 1966

PERFS 5576' - 5590'

PERFS 5632' - 5647'

7-7/8" OPEN HOLE
 to T.D.

5-1/2" PRODUCTION CASING
 14# J-55 0' - 5426'
 15.5# J-55 5426' - 5766'
 CEMENTED W/ 550 SACKS

TOTAL DEPTH 5771'



SUNDRY NOTICES AND REPORT ON WELLS

1. Name of Operator DRY MESA CORPORATION

2. OIL WELL GAS WELL OTHER (Specify) _____

3. Well Name WELLS #1, #2, #3, #5, AND #6

Location

Sec. 1, 2, 11, 12 Twp. 40N Rge. 28E County APACHE, Arizona.

4. Federal, State, or Indian Lease, or lessor's name if fee lease NAVAJO LEASE #14-20-603-4190 TRACT 138

5. Field or Pool Name DRY MESA FIELD

6. Check Appropriate Box to indicate Nature of Notice, Report, or Other data

NOTICE OF IN SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>	WATER SHUT-OFF	<input type="checkbox"/>	MONTHLY PROGRESS	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	DIRECTIONAL DRILL	<input type="checkbox"/>	FRACTURE TREATMENT	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input checked="" type="checkbox"/>	PERFORATE CASING	<input checked="" type="checkbox"/>	SHOOTING OR ACIDIZING	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>	(OTHER)	<input type="checkbox"/>	ABANDONMENT	<input type="checkbox"/>
(OTHER)	<input type="checkbox"/>		<input type="checkbox"/>	(OTHER)	<input type="checkbox"/>		<input type="checkbox"/>

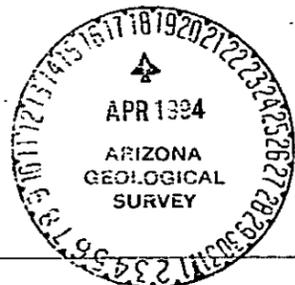
(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Dry Mesa Corporation is preparing to workover two wells and repair or enhance production on two others. This work will commence when the major creditor has approved the proposed work. The actual work planned on the wells is outlined on the following pages. It is estimated that this work will begin on or about April 20, 1994.

Additionally, Dry Mesa Corporation would like to perform an MIT on SWD Well #1 while there is equipment on the lease. The MIT will conform to the tougher of the EPA/State of AZ requirements. The exact time and date of this test are flexible depending on all of the interested party's schedules

The appropriate forms will be submitted following completion of the work.



8. I hereby certify that the foregoing is true and correct.

Signed Bob Haug Title Geologist Date April 15, 1994

Permit No. 106

STATE OF ARIZONA
OIL AND GAS CONSERVATION COMMISSION
Sundry Notices and Report On wells
File One Copy
Form No. 25

DRY MESA CORPORATION PROPOSED WORKOVER SUMMARY
(REVISED 3/8/94)

Dry Mesa Corporation has requested that funding be granted to do workovers on wells in Dry Mesa Field, Apache County, Arizona. The purpose of the workovers is to raise the oil and gas production and thereby raise income from Dry Mesa Field. A summary of the field's present condition, proposed work, cost estimate for such work, and expected results follows.

PRESENT FIELD CONDITION

Due to factors listed elsewhere in this summary, Dry Mesa Field has been essentially shut down since June, 1993. Dry Mesa Field contains three gas wells, one oil well, and one water disposal well. If the wells were capable of producing at full capacity, this would be their current state:

Gas Well #2 could be expected to produce 250 - 400 MCF/day
Gas Well #5 could be expected to produce 35 MCF/day
Gas Well #3 will not produce against line pressure, 0 MCF/day
Oil Well #6 could be expected to produce 30 - 35 bbbls oil/day
SWD Well #1 This well is needed to dispose of produced water from #6. Well #6 is not economic without well #1.

TOTALS: 285 - 435 MCF/day 30 - 35 bbbls oil/day
Monthly Income (less royalty and gas transport fee of 27%): \$19,800 (low) - \$ 26,500 (high)
(assuming Gas Price \$1.80/MCF & Oil Price \$14.00/bbl)

Current Operations

The gas sales line experiences freeze ups during the coldest winter days. This situation will require a dehydrator to fix. This will not be necessary until next October or November.

Dry Mesa Corporation is paying Western Gas Processors 27% of the produced gas for their services of gathering, metering, transporting, and selling Dry Mesa gas. Western has agreed in principle to reduce this 27% cost to 15% provided Dry Mesa raise gas production by working over at least two of the wells. This 13% drop in rate with no real drop in service makes a strong argument for working over at least two wells initially. Dry Mesa and Black Rock Field wells typically have high initial production rates with a steep monthly decline until the production rate reaches approximately 600 MCF/day. At 600 MCF/day, the decline rate moderates. For this reason, it is most financially beneficial to have the gas contract changed as early in the well's life after the workover as possible. Another advantage of working over the wells one after another is the potential savings in rig move expenses and possible volume discounts from the service companies.



Well Summaries

Well #2

As currently completed, this well has already produced 80 - 85% of its available reserves. Production will continue to decline and water production will probably increase to the point where the well will no longer be able to overcome line pressure (as has occurred with Well #3). This well is structurally the highest gas well in Dry Mesa Field and has excellent potential in 4 other zones. These 4 zones have been judged to be commercial and productive by DST, core, mud log gas show, and/or production in equivalent zones in Black Rock Field wells. Estimated reserves after the workover are 1 - 1.3 BCF. Initial production should be in the 1,200 - 2,000 MCF/day range.

Dry Mesa has not done any mechanical work on this well since becoming field operator and the physical condition of the tubing and packer are unknown. Hydrotesting of the tubing must be done to insure that the tubing will hold up under acidizing pressure.

The existing water evaporation pit is unlined and will not be acceptable under new BLM guidelines. A dehydrator, which will eventually be set near Well #2 will also need some type of permanent water evaporation/storage facility. Depending on the volume of water that Well #2 will make after the workover, a decision will need to be made as to what type and size of pit will be needed or whether it will be practical to move one of the existing fiberglass water storage tanks to this location. \$3,000 should be budgeted for pit purchase and set-up or tank move.

Proposed Workover

1. kill well, remove wellhead, nipple up BOP stack
2. pull tubing and packer
3. hydrotest tubing
4. run casing scraper to TD
5. perforate four zones (64' total)
6. acidize using straddle packer, plan on 50 gal 28% HCL per ft of perf, additional 1,000 gal in existing perms, total acid volume - 4,2000 gal. (this is a very small acid treatment)
7. run tubing and packer, nipple down BOP, install wellhead
8. swab and flow well.
9. 4 point test well.
10. hook up well to sales meter and produce.

Economics

A cost estimate for the proposed workover and a table displaying various production and economic models for Well #2 are included in this summary. The estimated workover cost for this well is \$35,000 (high) - \$25,000 (low). The first month's income after workover is estimated to be \$76,500 (high) - \$39,400 (low). Payout will occur within the first month in either model. Gross Income for the first year (less royalty and gas transport fee) would be \$524,000 (high) - \$252,000 (low).



Well Cost Estimate Sheet

(costs are estimated based on similar past service)

Prepared for: Dry Mesa Field - Well # 2

Item	Price per/	Est. Time or Volume	Item Total
Well Kill Truck and Service			\$1,000
Rig Time	\$1,800 / day	3.5 days	\$6,300
Hydrotest Tubing			\$1,200
Replacement Tubing	\$2.00 / ft	25 Joints	\$1,500
Packer Repair/Replace			\$2,200
Packer Hand	\$400 / day	1 day	\$400
Perforating (2 shots/ft, 4" gun)		64 feet total - multiple runs	\$5,000
Acid Job (using straddle packer)	4200 gal		\$8,000
Test Pit Rental	\$150 / day	3 days	\$450
Trucking (test pit)			\$400
Vacuum Truck Service	\$750 / day	1 day	\$750
4 Pt. Well Test			\$350
MISC. (pipe fittings, swab cups, port fees, casing scraper rental, etc.)			\$1,000
H2S Monitoring Service	\$475/day W/ H2S Hand - 3 days or \$75/day equipment rental (W/ consultant)		\$225
Consultant/Supervision	\$400 / day	3 days	\$1,200
15% Contingency			\$4,496
TOTALS			\$34,471

Permanent Pit Cost Estimate

Permanent Evaporation Pit Purchase \$3,000
 Tank Hook Up Materials (piping, fittings, etc)
 Roustabout Labor (Surface preparation, Line Hookups, etc)
 or
 Move Existing Tank to Location
 Gauging Ladder
 Tank Hook Up Materials (piping, fittings, etc)
 Roustabout Labor (Surface preparation, Line Hookups, etc)



TOTALS

\$3,000

H2S monitoring must be done: the presence of H2S in Black Rock Field and the abnormally high H2S concentrations normally occurring during acid jobs demands it. An H2S Safety Engineer cost \$475/day. A good consultant can get by with renting H2S safety equipment and thus pay for his service with this item. A consultant could also get significant price breaks on the above estimates and get suppliers/service people to work for us whereas we may not be able to. Significant savings may be possible in rig time expense and tubing replacement costs. It is quite likely that this work can be done for around \$25,000 plus \$3,000 for pit installation.

The four additional zones to perforate are at:

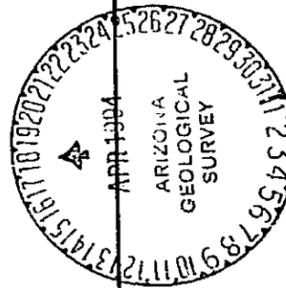
Pinkerton Trail (5278' - 5295' gross, 5236' - 5246') Akah (4898' - 4942' gross)
 Honaker Trail (4428' - 4436')

Well #2 - Economic Model

Month	No Workover		After Workover (27% fee)				After Workover (15% fee)							
	IP - 300 MCF/day		Expected Case		Low Case		Expected Case		Low Case					
	Monthly Volume	Monthly Income	IP - 2,000 MCF/day	Monthly Volume	Monthly Income	IP - 1,200 MCF/day	Monthly Volume	Monthly Income	IP - 2,000 MCF/day	Monthly Volume	Monthly Income	IP - 1,200 MCF/day	Monthly Volume	Monthly Income
1	9,000	\$9,855	60,000	60,000	\$65,700	36,000	36,000	\$39,420	60,000	60,000	\$76,500	36,000	36,000	\$45,900
2	8,000	\$9,417	55,100	55,100	\$60,335	30,700	30,700	\$33,617	55,100	55,100	\$70,253	30,700	30,700	\$39,143
3	8,200	\$8,979	50,200	50,200	\$54,969	25,800	25,800	\$28,251	50,200	50,200	\$64,005	25,800	25,800	\$32,895
4	7,800	\$8,541	45,300	45,300	\$49,604	20,100	20,100	\$22,010	45,300	45,300	\$57,758	20,100	20,100	\$25,628
5	7,400	\$8,103	40,400	40,400	\$44,238	16,000	16,000	\$17,520	40,400	40,400	\$51,510	16,000	16,000	\$20,400
6	7,000	\$7,665	35,600	35,600	\$38,982	15,600	15,600	\$17,082	35,600	35,600	\$45,390	15,600	15,600	\$19,890
7	6,800	\$7,227	30,700	30,700	\$33,617	15,300	15,300	\$16,754	30,700	30,700	\$39,143	15,300	15,300	\$19,508
8	6,200	\$6,789	25,800	25,800	\$28,251	14,900	14,900	\$16,316	25,800	25,800	\$32,895	14,900	14,900	\$18,998
9	5,800	\$6,351	20,900	20,900	\$22,886	14,500	14,500	\$15,878	20,900	20,900	\$26,648	14,500	14,500	\$18,488
10	5,400	\$5,913	16,000	16,000	\$17,520	14,200	14,200	\$15,549	16,000	16,000	\$20,400	14,200	14,200	\$18,105
11	5,000	\$5,475	15,600	15,600	\$17,082	13,800	13,800	\$15,111	15,600	15,600	\$19,890	13,800	13,800	\$17,595
12	4,600	\$5,037	15,300	15,300	\$16,754	13,500	13,500	\$14,783	15,300	15,300	\$19,508	13,500	13,500	\$17,213
TOTALS:	81,600	\$89,352	410,900	410,900	\$449,936	230,400	230,400	\$252,288	410,900	410,900	\$523,898	230,400	230,400	\$293,760

ASSUMPTIONS:

Income: = (Monthly MCF * Gas Price * (1 - Transport Fee)) * (1 - Royalty)
 Gas Price: \$1.80
 Royalty: 1/6
 Transport: 27% (unless specified to be 15%)
 Decline: Modeled after Watson "Type B" well in Reserve Estimate Report
 Month: 30 days
 Volume: MCF



Western Gas Resources, Inc.

12200 North Fecos Street
Suite 230
Denver, Colorado 80234



Chromatographic Analysis

Sample Source: NAVAJO TRACT 138 #2
Station or Sales Number: 91901030
Producer: DRY MESA CORPORATION
Effective Date : 07-01-91
Settlement Month / Year : 07/91
Laboratory : MEASUREMENT AUD

Date Sampled : 07-20-91

NAME	MOLE %	G.P.M.
****	*****	*****
N2	3.88	
CO2	3.39	
H2S	.25	
HYDROCARBONS		
METHANE	82.48	
ETHANE	5.62	1.4812
PROPANE	2.53	.6870
ISO-BUTANE	.35	.1128
N-BUTANE	.77	.2392
ISO-PENTANE	.19	.0685
N-PENTANE	.21	.0749
HEXANES+	.33	.1337
TOTALS	100	2.7975

Calculated per standard GPA 2172, Pressure Base = 14.73 psi @ 60F
Calculated Compressibility (Z) : .9970
Calculated Real BTU / DRY : 1071
Calculated Real BTU / WATER SAT. : 1054
Calculated As Delivered BTU. :
Calculated Real Specific Gravity : 0.689

***** NOTE: Gas Properties calculated @ Saturated Basis

Western Gas Resources, Inc.

12200 North Pecos Street
Suite 230
Denver, Colorado 80234



Chromatographic Analysis

Sample Source: NAVAJO TRACT 13B #2
Station or Sales Number: 91901030
Producer: DRY MESA CORPORATION
Effective Date : 07-01-91
Settlement Month / Year : 07/91
Laboratory : MEASUREMENT AUD

Date Sampled : 07-20-91

NAME	MOLE %	B.P.M.
****	*****	*****
N2	3.88	
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ISO-PENTANE	.19	.0685
N-PENTANE	.21	.0749
HEXANES+	.33	.1337
TOTALS	100	2.7975

Calculated per standard GPA 2172, Pressure Base = 14.73 psi @ 60F
Calculated Compressibility (Z) : .9970
Calculated Real BTU / DRY : 1071
Calculated Real BTU / WATER SAT. : 1054
Calculated As Delivered BTU. :
Calculated Real Specific Gravity : 0.689

***** NOTE: Gas Properties calculated @ Saturated Basis

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

14-20-603-4190

6. If Indian, Allottee or Tribe Name

Navajo

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Tract 138 - #2

9. API Well No.

020010530300S1

10. Field and Pool, or Exploratory Area

Dry Mesa Field

11. County or Parish, State

Apache Co., Az

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator

Dry Mesa Corporation

3. Address and Telephone No.

P. O. Box 5446, Farmington, N.M. 87499 (505) 325-2058

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SW NW Sec. 12 T40N R28E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water
	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

AZ OIL & GAS CONSERVATION COMMISSION
MAY 7 1991
Pipeline Hookup

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

A 4" natural gas pipeline of length 4.2 miles was constructed from Dry Mesa Field - Well #2 to the gathering line serving Black Rock Field in T40N, R29E. The purpose of this line is to transport gas. The line was built and is operated by Western Gas Processors, Ltd of 12200 North Pecos Street, Suite 230, Denver, Colorado 80234. Pipeline construction commenced on 4/15/91 and the well was hooked up on 5/6/91. Pipeline construction consists of a 4" steel welded line buried to a depth of 4' (where possible), the installation of a separator, meter run, and a methanol injection system. A dehydrator and compressor will be installed as needed. Initial production will be limited until the separator is properly calibrated and optimum pressures and volumes are determined.

Tract 138 - Well #2 has been supplying lease fuel since it's recompletion in 7/69. A Sundry Report detailing the recompletion was filed on 7/30/69 by the Monsanto Company. A copy of this report is included.

14. I hereby certify that the foregoing is true and correct

Signed Kenneth R. Stewart

Title President

Date 5/7/91

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

RECEIVED
 Form 9-338 (Rev. 4-63)
 JUL 31 1969

UNITED STATES DEPARTMENT OF THE INTERIOR
 GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE (See other instructions on reverse side)

DRY MESA

Form approved. Budget Bureau No. 42-R355.6.

5. LEASE DESIGNATION AND SERIAL NO.

14-20-603-4190

6. IF INDIAN, ALLOTTEE OR TRIBAL	YES	NO
7. UNIT AGREEMENT NAME	CS	
	LJA	
	AM	
8. FARM OR LEASE NAME	RED	
	FILE	

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1. TYPE OF WELL: OIL WELL GAS WELL DRY Other

2. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. REVR. Other

3. NAME OF OPERATOR: Monsanto Company

4. ADDRESS OF OPERATOR: Suite 1102 Lincoln Tower Building, Denver, Colorado 80203

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):
 At surface SW NW Sec. 12
 At top prod. interval reported below
 At total depth

9. WELL NO. 2

10. FIELD AND POOL, OR WILDCAT: Dry Mesa

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 12, T40N, R28E

12. COUNTY OR PARISH: Apache
 13. STATE: Arizona

14. PERMIT NO. DATE ISSUED

15. DATE SPUNDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (OF, RKB, RT, GR, ETC.)* 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 21. PLUG BACK T.D., MD & TVD 22. IF MULTIPLE COMPL. HOW MANY* 23. INTERVALS DRILLED BY 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

25. TYPE ELECTRIC AND OTHER LOGS RUN: Dresser Atlas GR-Neutron
 26. WAS WELL CORED

27. WAS DIRECTIONAL SURVEY MADE

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
Initial Completion April 1960					
9 5/8"	32.3#	1117		900 sacks	None
5 1/2"	15.5#				
5 1/2"	14.0#	5766		550 sacks	None

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8	5079	5032

31. PERFORATION RECORD (Interval, size and number)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5053-79	2500 gallons 15% HCl reg. acid.
5085-95	

33. PRODUCTION

DATE FIRST PRODUCTION: 7/17/69
 PRODUCTION METHOD: Flowing
 WELL STATUS: Shut-in

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
7/23/69	72	16/64		12.6	5,885	2.2	467,000

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
950	PKR	** 6.0	2030		1.0	62.8

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): Vented

35. TEST WITNESSED BY: James E. Guthrie

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED: [Signature] TITLE: District Production Supt. DATE: 7/30/69

**Final 24-hour rate. *(See Instructions and Spaces for Additional Data on Reverse Side)
 *Shut-in pending further evaluation or market development.

ARIZONA OIL AND GAS CONSERVATION COMMISSION
 MULTIPOINT AND ONE POINT BACK PRESSURE TESTS FOR GAS WELL

Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special		Test Date 7/23/69		Well Name Navajo 138-2							
Company Monsanto Company		Connection Not Connected		Permit No. 106							
Pool Dry Mesa		Formation Paradox		Unit							
Completion Date		Total Depth 5771	Plug Back TD 5426	Elevation 5980 KB	Farm or Lease Name Navajo						
Csg. Size 5 3/8	Wt. 15.5	d 4.950	Set At 5766	Perforations: From 5053 To 5095							
Tbg. Size 2 3/8	Wt. 4.7	d 1.995	Set At 5032	Perforations: From To							
Type Well - Single - Bradenhead - G.G. or G.O. Multiple Single			Packer Set At 5032'	Well No. 138-2							
Producing Thru Tubing		Reservoir Temp. °F 120 @ 5040	Mean Annual Temp. °F 60	Baro. Pres. - P _a 12.2	State Arizona						
L 5040	H 5040	Gg. 0.718	% CO ₂ 3.5	% N ₂ 4.0	% He 0.4						
Prover		Meter Run 3"	Taps Flange								
FLOW DATA			TUBING DATA		CASING DATA						
NO.	Prover Line Size	X	Choke Orifice Size	Press. p.s.i.g.	Diff. hw	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g. Bore	Temp. °F	Duration of Flow
SI	3"		1.5"				1268	75	1469.9		SI 144 hrs.
1.	3"		1.5"	238	9.5"	67	1207	75	1407.9		4 hrs.
2.	3"		1.5"	245	31.5"	67	1118	74	1316.7		1 hrs.
3.	3"		1.5"	250	61.0	65	1027	72	1223.1		1 1/2 hrs.
4.	3"		1.5"	300	73.0	64	950	71	1151.7		1 1/2 hrs.
5.											
RATE OF FLOW CALCULATIONS											
NO.	Coefficient (24-Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor F _g	Super Compress. Factor, F _{pv}	Rate of Flow Q, Mcfd				
1.	11.23	48.76	250.2	.9933	1.180	1.025	658				
2.	11.23	90.01	257.2	.9933	1.180	1.025	1214				
3.	11.23	126.5	262.2	.9952	1.180	1.028	1715				
4.	11.23	151.0	312.2	.9962	1.180	1.033	2059				
5.											
NO.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio - Dry Gas		Mcf/bbl.				
1.	.37	527	1.39	.952	A.P.I. Gravity of Liquid Hydrocarbons		Deg.				
2.	.38	527	1.39	.951	Specific Gravity Separator Gas - 0.718						
3.	.39	525	1.38	.947	Specific Gravity Flowing Fluid						
4.	.46	524	1.38	.938	Critical Pressure - 678		p.s.i.a.		p.s.i.a.		
5.					Critical Temperature - 380		R		R		
P _c 1482.1 P _c ² 2196.6		P _w		P _c ² - P _w ²		P _c ² - P _w ²		P _c ² - P _w ²		P _c ² - P _w ²	
NO.	P _i ²	P _w	P _w ²	P _c ² - P _w ²	(1) P _c ² - P _w ²		P _c ² - P _w ²		P _c ² - P _w ²		
1.		1420.1	2016.7	179.9	3.276		3.276		3.276		
2.		1328.9	1766.0	430.6							
3.		1235.3	1526.0	670.6							
4.		1163.9	1354.7	841.9							
5.											
Absolute Open Flow - 4142		Mcf/d @ 15.025		Angle of Slope - 53°33"		Slope, n - .743					
Remarks: Bomb Pressures taken											

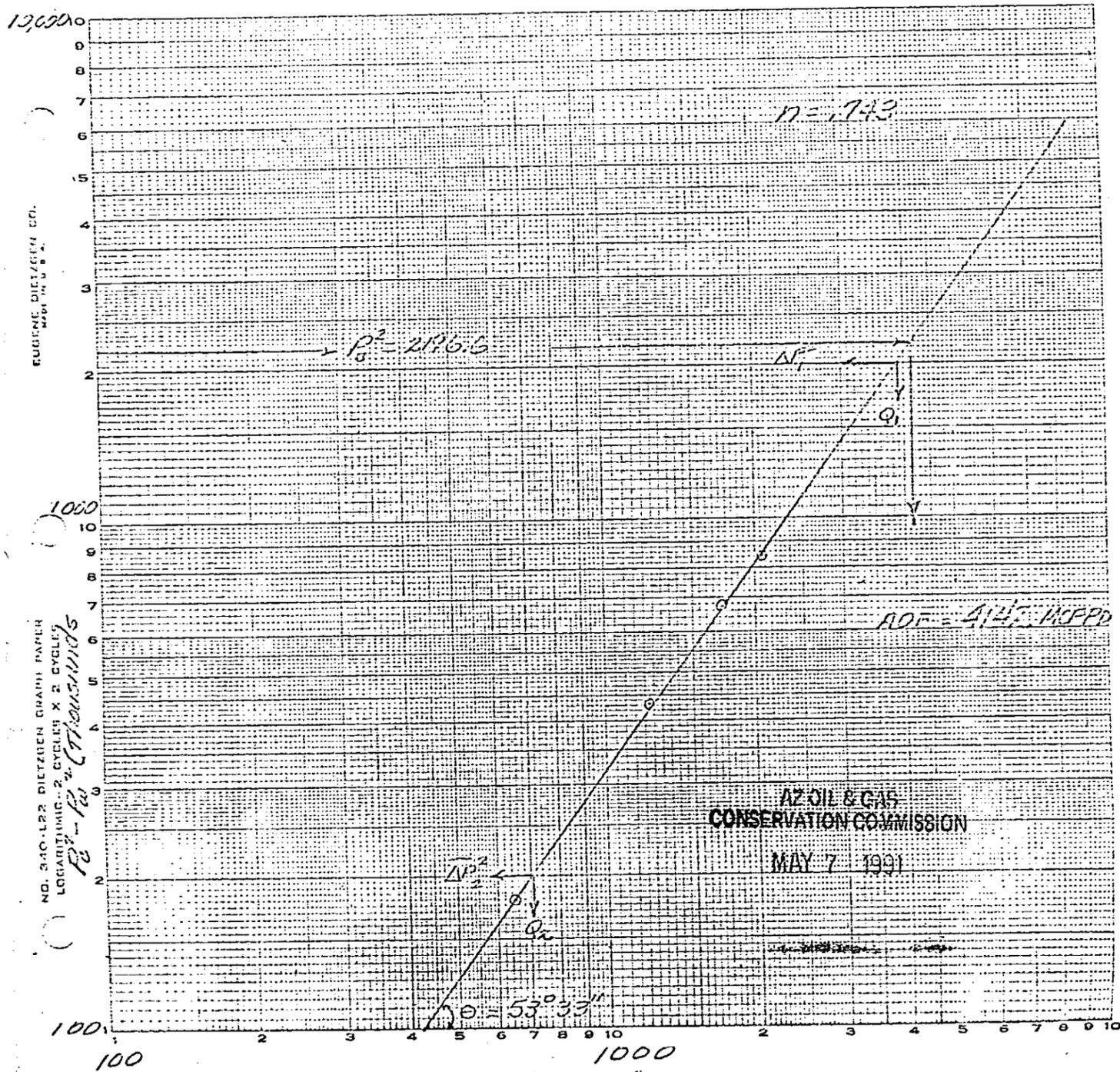
CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the District Prod. Supt. of the Monsanto (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true,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

ORIGINAL SIGNED: J. MURPHY, JR.
 Date 7/28/69 Signature _____

ARIZONA OIL & GAS
 CONSERVATION COMMISSION
 MAY 7 1991

STATE OF ARIZONA OIL & GAS
 CONSERVATION COMMISSION
 Multipoint and One Point Back Pressure
 Tests for Gas Well
 Form No. 18 (File two copies)

Monsanto Company
 Navajo 138-R
 7/23/69



EUGENE DIEZAGEN CO.
 MADE IN U.S.A.
 NO. 340-122 DIETZEN GRAPH PAPER
 LOGARITHMIC - 2 CYCLES X 2 CYCLES
 P₀² - P_w² (Thousands)

AZ OIL & GAS
 CONSERVATION COMMISSION
 MAY 7 1991

$\Delta P_1^2 = 2000$ $Q_1 = 3900$ $\log Q_1 = 3.59106$
 $\Delta P_2^2 = 200$ $Q_2 = 705$ $\log Q_2 = 2.84819$
 $n = .74287 = .743$

CORE LABORATORIES, INC.

Reservoir Fluid Analysis

Page 1 of 1

File ARFL-8501116

Company Monsanto Oil Company Formation _____
 Well Navajo Tract 138 No. 2 County _____
 Field Dry Mesa State _____

HYDROCARBON ANALYSIS OF METER RUN GAS SAMPLE

<u>Component</u>	<u>Mol Percent</u>	<u>GPM</u>
Hydrogen Sulfide	0.00	
Carbon Dioxide	3.28	
Nitrogen	4.43	
Methane	82.59	
Ethane	5.25	1.396
Propane	2.45	0.670
iso-Butane	0.35	0.114
n-Butane	0.76	0.238
iso-Pentane	0.20	0.073
n-Pentane	0.23	0.083
Hexanes	0.20	0.077
Heptanes plus	0.26	0.109
	100.00	2.760

Calculated gas gravity (air = 1.000) = 0.689

Calculated gross heating value = 1061 BTU per cubic foot of dry gas at 14.650 psia and 60°F.

Collected at 36 psig and 215°F. on 7-12-85

CORE LABORATORIES, Inc.

Craig L. Bromley

Craig L. Bromley
Reservoir Fluid Supervisor

CLB/ss0

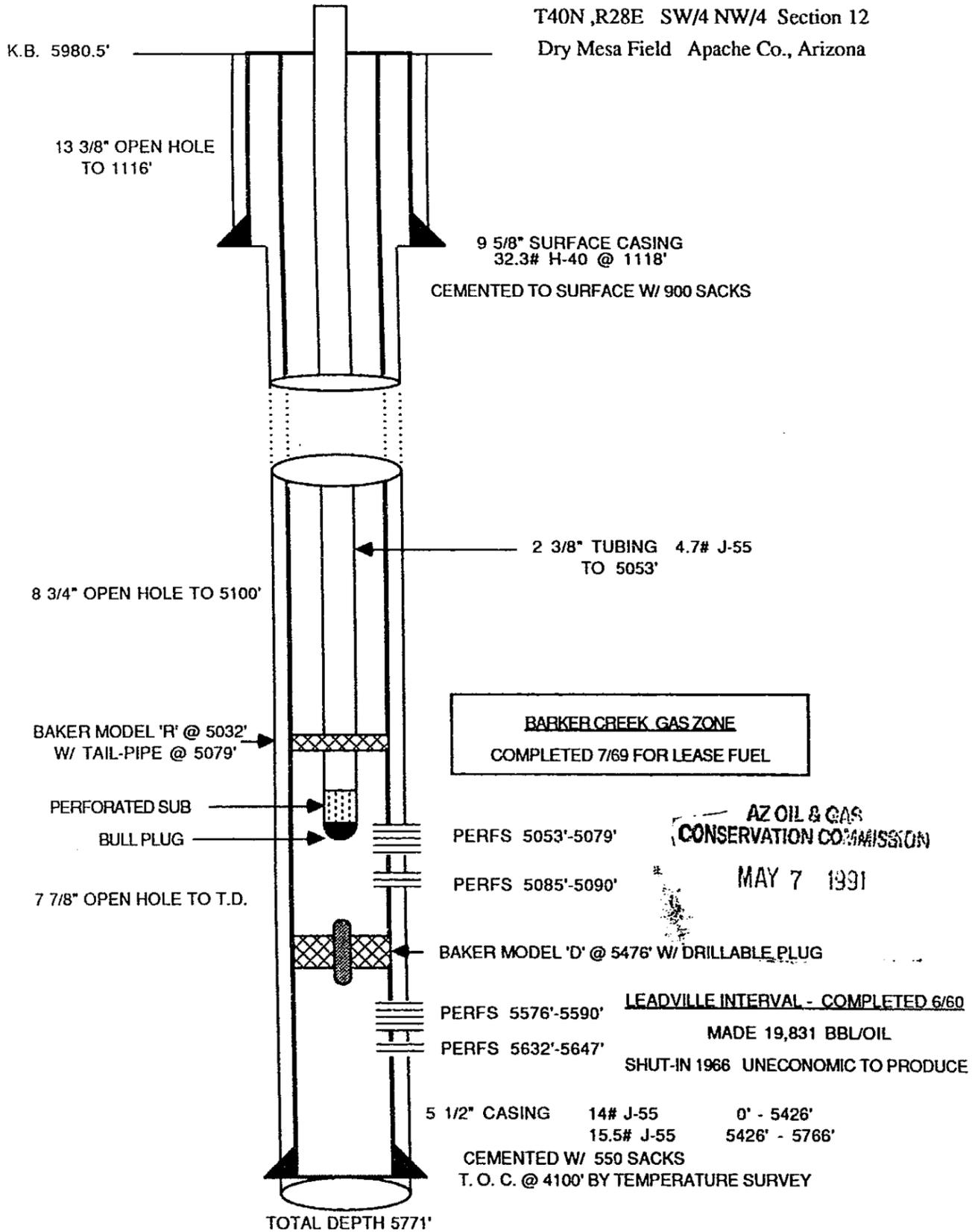
4 cc Mr. Jim Graves
Monsanto Oil Company
5613 DTC Parkway, Suite 600
Englewood, CO 80119

1 cc Mr. Howard Jones
Monsanto Oil Company
510 W. 6th Street, Apt. 23
Cortez, CO 81321

AZ OIL & GAS
CONSERVATION COMMISSION

MAY 7 1991

Navajo Tract 138 - Well #2
 T40N, R28E SW/4 NW/4 Section 12
 Dry Mesa Field Apache Co., Arizona



DRY MESA CORPORATION

POST OFFICE BOX 5446
FARMINGTON, NEW MEXICO 87499
505 325-2058

26 April 1991

Mr. Dan Brennan
Oil & Gas Conservation Commission
State Of Arizona
5150 North 16th Street
Suite B-141
Phoenix, Arizona 85016

Re: Dry Mesa Field
Apache County, Arizona

**AZ OIL & GAS
CONSERVATION COMMISSION**

APR 29 1991

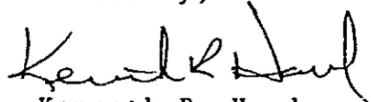
Dear Dan:

Enclosed are two copies of the Authorization
To Transport Oil And Gas From Lease.

We are building the pipeline to hook into the
Black Rock compressor station now. We should be in
production from the #2 well by the end of next week.
I am looking forward getting it into production.

Bob or I will be talking with you soon.

Sincerely,


Kenneth R. Hand

Enclosures

#106

**OPERATOR'S CERTIFICATE OF COMPLIANCE AND AUTHORIZATION
TO TRANSPORT OIL OR GAS FROM LEASE**

Federal, State or Indian Lease Number, or lessor's name, if fee lease 4-20-603-4190	Field Dry Mesa	Reservoir Barker Creek
Survey or Sec-Twp-Rge Sec. 12, T40N, R28E	County Apache	State Arizona
Operator Dry Mesa Corporation		
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:		
Street Post Office Box 5446	City Farmington	State New Mexico
Above named operator authorizes (name of transporter) Western Gas Processors, Ltd.		
Transporter's street address 12200 N. Pecos, Suite 230	City Denver	State Colorado
Field address		
Oil, condensate, gas well gas, casinghead gas		
To transport	100 % of the Gas	from said lease.
OTHER GATHERERS TRANSPORTING FROM THIS LEASE ARE AS FOLLOWS:		
Name of gatherer Gary-Williams Energy Company	% transported 100	Product transported oil
AZ OIL & GAS CONSERVATION COMMISSION		
APR 29 1991		
Indicate whether or not this certificate is for a new lease. If not a new lease, indicate whether or not it is a change of operator, change of lease name, change of gatherer, or a consolidation or subdivision of leases and give effective date of change. A gas line is being built to transport the gas which has been shut in.		

The undersigned certifies that the rules and regulations of the State of Arizona Oil & Gas Conservation Commission have been complied with in drilling and producing operations on this lease, except as noted above, and that the above transporter is authorized to transport the above specified percentage of the allowable oil or gas produced from the above described property, and that this authorization will be valid until further notice or until cancelled by the State of Arizona Oil & Gas Conservation Commission.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the President of the Dry Mesa Corporation (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 April 26, 1991

Kenneth R. Daniel
Signature

Date approved: 4/29/91

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

By: *[Signature]*

Permit No. 100

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Operator's Certificate of Compliance & Authorization to
Transport Oil or Gas from Lease
File Two Copies
Form No. 8

OPERATOR'S CERTIFICATE OF COMPLIANCE AND AUTHORIZATION
TO TRANSPORT OIL OR GAS FROM LEASE

Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190	Field Dry Mesa	Reservoir Leadville
Survey or Sec-Twp-Rge Sec 1,2,11,12, T40N,R28E	County Apache	State Arizona
Operator Dry Mesa Corporation		
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:		
Street P. O. Box 5446	City Farmington	State New Mexico 87499
Above named operator authorizes (name of transporter) Gary-Williams Energy Corporation		
Transporter's street address 370 17th Street, Suite 5300	City Denver	State Colorado 80202-5653
Field address 89 Road 4990, Bloomfield, New Mexico 87413		
Oil, condensate, gas well gas, casinghead gas		
To transport	100	% of the oil from said lease.
OTHER GATHERERS TRANSPORTING FROM THIS LEASE ARE AS FOLLOWS:		
Name of gatherer	% transported	Product transported
Indicate whether or not this certificate is for a new lease. If not a new lease, indicate whether or not it is a change of operator, change of lease name, change of gatherer, or a consolidation or subdivision of leases and give effective date of change. This form is submitted because a change gatherer for the oil. The change was effective July 1, 1990		

The undersigned certifies that the rules and regulations of the State of Arizona Oil & Gas Conservation Commission have been complied with in drilling and producing operations on this lease, except as noted above, and that the above transporter is authorized to transport the above specified percentage of the allowable oil or gas produced from the above described property, and that this authorization will be valid until further notice or until cancelled by the State of Arizona Oil & Gas Conservation Commission.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the President of the Dry Mesa Corporation (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.

August 24, 1990
Date

Keneth [Signature]
Signature

Date approved: _____

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
By *[Signature]* *[Signature]*
Permit No. 106

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Operator's Certificate of Compliance & Authorization to
Transport Oil or Gas from Lease
File Two Copies
Form No. 8

OPERATOR'S CERTIFICATE OF COMPLIANCE AND AUTHORIZATION TO TRANSPORT OIL OR GAS FROM LEASE		
Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190	Field Dry Mesa	Reservoir Leadville
Survey or Sec-Twp-Rge Sec. 2, T40N, R28E	County Apache	State Arizona
Operator Dry Mesa Corporation		
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:		
Street P. O. Box 5446	City Farmington	State New Mexico 87499
Above named operator authorizes (name of transporter) The Permian Corporation		
Transporter's street address P. O. Box 1183	City Houston	State Texas 77251
Field address 2502 West Main, Farmington, New Mexico 87501		
Oil, condensate, gas well gas, casinghead gas		
To transport	100 % of the Oil	from said lease.
OTHER GATHERERS TRANSPORTING FROM THIS LEASE ARE AS FOLLOWS:		
Name of gatherer Hay Hot Oil	% transported 100	Product transported water produced from lease
Indicate whether or not this certificate is for a new lease. If not a new lease, indicate whether or not it is a change of operator, change of lease name, change of gatherer, or a consolidation or subdivision of leases and give effective date of change. Change Of Operator February 1, 1989		

The undersigned certifies that the rules and regulations of the State of Arizona Oil & Gas Conservation Commission have been complied with in drilling and producing operations on this lease, except as noted above, and that the above transporter is authorized to transport the above specified percentage of the allowable oil or gas produced from the above described property, and that this authorization will be valid until further notice or until cancelled by the State of Arizona Oil & Gas Conservation Commission.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the President, Sec.-Treasurer of the Dry Mesa Corporation (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 4-12-89

Signature Kenneth E. [unclear]

Date approved: 1/9/90

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

By: [Signature]
Permit No. 852 + 115,77,106

RECEIVED

APR 19 1989

O & G CON. COMM.

<p>STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Operator's Certificate of Compliance & Authorization to Transport Oil or Gas from Lease File Two Copies Form No. 8</p>
--



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
1645 WEST JEFFERSON, SUITE 420
PHOENIX, ARIZONA 85007
PHONE: (602) 255-6181

October 25, 1985

Water-Disposal Project
Monsanto Oil Company
Dry Mesa Field
Leadville Formation

Mr. K. J. Ebner
Regional Production Manager
Suite 600, 5613 DTC Parkway
Englewood, CO 80111

Dear Mr. Ebner:

Your proposal to initiate a water-disposal project in the Leadville Formation of the Dry Mesa Field in Apache County is approved provided:

1. Immediately upon commencement of injection operations, the operator shall notify the Commission of the commencement date.
2. A monthly report shall be furnished this Commission listing the amount of fluid injected and other requirements as shown on Form 14.
3. A chemical analysis of the fluid to be injected shall be made and filed with this office whenever the source of injection fluid is changed, or as requested by us.
4. A mechanical integrity test of the casing-tubing annulus above the packer shall be performed not less than once every five years and documentation of the test shall be submitted to the Commission if not so witnessed.
5. An accurate operating pressure gauge or chart shall be maintained at the wellhead at all times.
6. Fluid injection profile surveys shall be required for all injection wells at least once every year as needed or after any significant anomalous rate or pressure change, or as requested by this office, to confirm that the injection fluid is confined to the intended zones.
7. All injection piping, valves and facilities shall meet or exceed design standards for the injection pressure and shall be maintained in a safe and leak-free condition.
8. Injection shall cease if any evidence of damage or pollution is observed or upon written notice from this Commission.

K. J. Ebaer

-2-

October 25, 1985

9. Prior to commencement of disposal operations, the operator shall obtain all necessary permits and approvals required by all applicable laws and regulations.

Sincerely,

R. A. Ybarra

R.A. Ybarra
Acting Executive Director

CC: Navajo Nation, Carol Lowery
Bureau of Land Management, John Haas

APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO POROUS FORMATION			
Operator MONSANTO COMPANY		Address 500 West Texas 1330 Midland NBT, Midland, Texas 79701	
Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190	Well No. 2	Field DRY MESA FIELD	County APACHE
Location 1980' FNL & 660' FWL		SEC-TWP-RGE or Block & Survey 12-40N-28E	
CASING AND TUBING DATA			
Name of string	Size	Length	Cement Data
Surface Casing	9 5/8"	1117	900 Sx.
Intermediate	-----	-----	
Long String	5 1/2"	5766'	550 Sx.; T.C. @ 4100'
			Name, Model and Depth of Tubing Packer
Tubing	2 3/8"	5476'	Baker Model "D" @ 5476'
Name of Top and Bottom of Injection Zone Mississippian - 5576-90; 5632-47			
Is Injection through Tubing, Casing or Annulus? Tubing	Perforations or Open Hole? Perforations	Is this a new well Drilled for Disposal? No	
List all Cement Squeeze Operations, Giving Interval and Number Sacks Cement None			
Is Injection Zone Productive of Oil or Gas in This Field? Yes	Depth of Deepest Fresh Water Zone 900	Depth of Shallowest Productive Zone 5049	
Anticipated Daily Injection Volume (bbls.)	Minimum 180	Maximum 250	Open or Closed System? Closed
Is Injection to be by Gravity or Pressure? Gravity	Approx. Pressure (Psi)	Source of Water to be Injected Produced Water	
Are there any other Salt Water Disposal Wells using this same Zone in this Field?	Yes or No No	If so name one such well below	
Name of Operator of Disposal Well in same zone	Lease Name	Well No.	
Is this well so cased and completed that water can enter no other formation than the above set out injection zone?	Yes or No Yes	Have notices of this application been mailed or given to all operators within 1/2 mile of this injection well?	Yes or No No
List names and addresses of all operators within one-half (1/2) mile of this injection well: Monsanto Company 1330 Midland National Bank Tower, Midland, Texas 79701			
<p>CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <u>Regional Prod. Mgr.</u> of the <u>Monsanto Company</u> (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.</p>			
<p>INSTRUCTIONS:</p> <p>1. Attach a complete full-scale electrical log of this well, if available. Indicate on electrical log, or by other evidence, the base of fresh water zones in this field.</p> <p>2. Attach waivers from all operators within one-half (1/2) mile of injection well, or copies of letters notifying such operators of this application. Also attach waiver from surface owners of land on which the disposal well is located, or copy of letter from operator making this application notifying such surface owners of this application and requesting waivers.</p> <p>3. Should all necessary waivers not accompany application, the State of Arizona Oil & Gas Conservation Commission shall hold such application for a period of ten (10) days from date of receipt. If, after said ten (10) day period, no protest or request for a hearing is received, the application will then be processed.</p>		<p>Signature <u>E. M. Scholl</u></p> <p>Date <u>5/9/78</u></p>	
<p>Date approved <u>5-15-78</u></p> <p>STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION</p> <p>By <u>W. O. [Signature]</u></p>		<p>STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Application To Dispose of Salt Water By Injection Into a Porous Formation File Two Copies</p> <p>Form No. 15</p>	

Permit No. 106

GAS-OIL RATIO TEST REPORTS

Filed under Oil-Gas Ratio Tests, Dry Mesa Field,
in cabinet in office of Enforcement Director

Form 9-331
(May 1963)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 42-R1424.

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 14 20 603 4190
2. NAME OF OPERATOR MONSANTO COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME NAVAJO TRIBE
3. ADDRESS OF OPERATOR 1330 Midland Natl. Bank Tower, Midland, Texas 79701		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1980' FNL & 660' FWL, Sec. 12, T-40N, R-28E GS&RM Survey		8. FARM OR LEASE NAME NAVAJO TRACT #138
14. PERMIT NO.	15. ELEVATIONS (Show whether DP, FT, CR, etc.) GR 5967	9. WELL NO. 2
		10. FIELD AND POOL, OR WILDCAT DRY MESA
		11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA Sec. 12, T-40N-R-28E GS&RM Survey
		12. COUNTY OR PARISH APACHE
		13. STATE ARIZONA

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data:

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETS <input checked="" type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* (See attached current and proposed well schematics.)

1. Pressure test 5 1/2" - 2 3/8" annulus; POH w/ 2 3/8" tubing & Model "R" Pkr.
2. Retrieve DR Plug from Model "D" Pkr @ 5476'.
3. Sting 2 3/8" into Model "D" Pkr @ 5476'.
4. Run wireline blanking plug in 2 3/8" and set @ 5470'.
5. Open sliding sleeve in 2 3/8" @ 5450'.
6. Swab in the Parodox perfs @ 5053-79 and 5085-90 through sliding sleeve.
7. Close sliding sleeve and continue to produce Parodox gas through annulus.
8. Retrieve blanking plug from Model "D" Pkr.
9. Acidize Mississippian perfs @ 5632-47 and 5576-90.
10. Place Mississippian on water disposal through tubing.

Operation is anticipated to begin in May, 1978.

MAY 1 1978

O & G CONS. COMM.

18. I hereby certify that the foregoing is true and correct

SIGNED [Signature] TITLE Regional Prod. Mgr. DATE 4/26/78

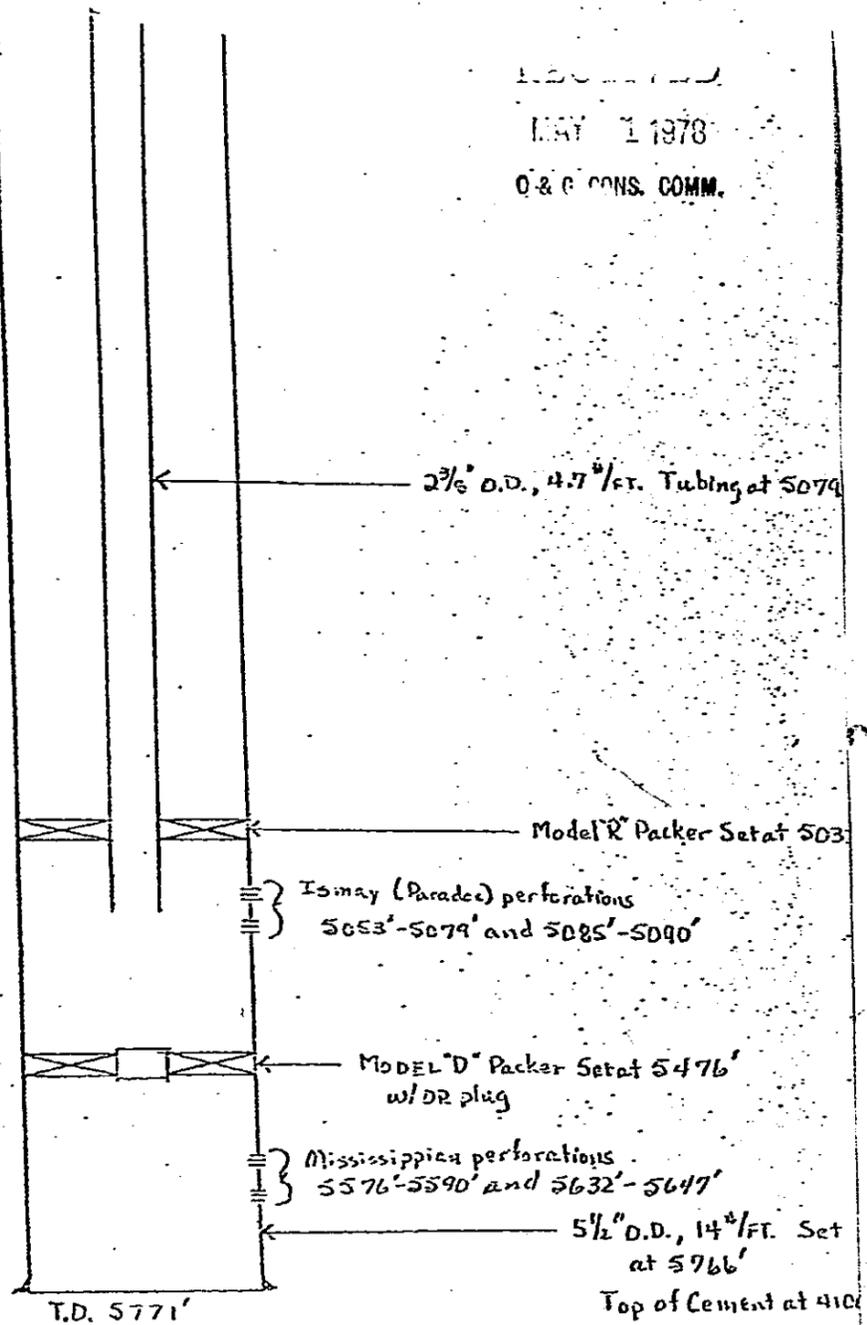
(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

DRY MESA FIELD
APACHE COUNTY, ARIZONA

1150 1150
MAY 1 1978
O & G CONS. COMM.



CURRENT COMPLETION

SUNDRY NOTICES AND REPORTS ON WELLS

MONSANTO COMPANY

1. Name of Operator _____

2. OIL WELL GAS WELL OTHER (Specify) _____

3. Well Name Navajo 138-2

Location SW SW 1980 FNL - 660 FWL Section 12

Sec. 12 Twp. 40N Rge. 28E County Apache Arizona.

4. Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190

5. Field or Pool Name Dry Mesa

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:			SUBSEQUENT REPORT OF:				
TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>	WATER SHUT-OFF	<input type="checkbox"/>	MONTHLY PROGRESS	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	DIRECTIONAL DRILL	<input type="checkbox"/>	FRACTURE TREATMENT	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	PERFORATE CASING	<input type="checkbox"/>	SHOOTING OR ACIDIZING	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>	(OTHER) <u>Status of well</u>	<input checked="" type="checkbox"/>	ABANDONMENT	<input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

June 1973: Navajo 138-2 Status: Producing Gas Well - June 1, 1973
Being used for lease fuel on Wells Navajo 138-1 & 138-3.

RECEIVED

JUL 02 1973

O & G CONS. COMM.

RECEIVED

JUL 02 1973

O & G CONS. COMM.

8. I hereby certify that the foregoing is true and correct.

Signed W. W. Wood Title Dist. Prod. Mgr. Date June 29, 1973

Permit No. 77, 106, 115
106

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Sundry Notices and Reports On Wells
File Two Copies
Form No. 25

SUNDRY NOTICES AND REPORTS ON WELLS

MONSANTO COMPANY

1. Name of Operator _____
 2. OIL WELL GAS WELL OTHER (Specify) _____
 3. Well Name Navajo 138-2
 Location SW SW 1980 FNL - 660 FWL Section 12
 Sec. 12 Twp. 40N Rgc. 28E County Apache Arizona.
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190

5. Field or Pool Name Dry Mesa

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) <u>Status of well</u> <input checked="" type="checkbox"/>	ABANDONMENT <input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

June 1973: Navajo 138-2 Status: Producing Gas Well - June 1, 1973
 Being used for lease fuel on Wells
 Navajo 138-1 & 138-3.

RECEIVED

JUL 14 1973

O & G CON. COMM.

RECEIVED

JUL 14 1973

O & G CON. COMM.

8. I hereby certify that the foregoing is true and correct.

Signed W. W. Wood Title Dist. Prod. Mgr. Date June 29, 1973

Permit No. 77,106,115

STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 Sundry Notices and Reports On Wells
 File Two Copies
 Form No. 25

SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator MONSANTO COMPANY
 2. OIL WELL GAS WELL OTHER (Specify) _____
 3. Well Name Navajo 138-2
 Location SW NW 1980 FNL - 660 FWL Sec. 12
 Sec. 12 Twp. 40N Rge. 28E County Apache Arizona.
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190
 5. Field or Pool Name Dry Mesa

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) <u>Status of Well</u> <input checked="" type="checkbox"/>	ABANDONMENT <input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

July 1972: Navajo 138-2 Status: Producing Gas Well - July 1, 1972
 Being used for lease fuel on wells Navajo 138-1 & 138-2.

RECEIVED

JUL 31 1972

O & G CONS. COMM.

8. I hereby certify that the foregoing is true and correct.

Signed W. W. Wood
 District Production Mgr.

Title Dist. Prod. Mgr. Date 7/27/72

Monsanto Company
 101 North Marienfeld
 Midland, Texas 79701

Permit No. 106

STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 Sundry Notices and Reports On Wells
 File Two Copies
 Form No. 25

WPA

SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Monsanto Company

2. OIL WELL GAS WELL OTHER (Specify) _____

3. Well Name Navajo 138-2

Location SW NW 1980 ENL - 660 FWL Sec. 12

Sec. 12 Twp. 40N Rge. 28E County Apache Arizona.

4. Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190

5. Field or Pool Name Dry Mesa

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) <u>Status of Well</u>	ABANDONMENT <input type="checkbox"/>
(OTHER) _____			<input checked="" type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

June 1971: Navajo 138-2 Status: Producing Gas Well - June 1, 1971.
 Being used for lease fuel on wells Navajo 138-1 & 138-2.

RECEIVED

AUG 9 1971

O & G CONS. COMM.

8. I hereby certify that the foregoing is true and correct.

Signed

[Signature]

Title Dist. Prod. Manager

Date

8/3/71

Permit No. 106

A

STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 Sundry Notices and Reports On Wells
 File Two Copies
 Form No. 25

WA

SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Monsanto Company

2. OIL WELL GAS WELL OTHER (Specify) _____

3. Well Name Navajo 138-2

Location SW NW 1980 FNL - 660 FWL Sec. 12

Sec. 12 Twp. 40N Rge. 28E County Apache Arizona.

4. Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190

5. Field or Pool Name Dry Mesa

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:			SUBSEQUENT REPORT OF:				
TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>	WATER SHUT-OFF	<input type="checkbox"/>	MONTHLY PROGRESS	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	DIRECTIONAL DRILL	<input type="checkbox"/>	FRACTURE TREATMENT	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
SLOTT OR ACIDIZE	<input type="checkbox"/>	PERFORATE CASING	<input type="checkbox"/>	SHOOTING OR ACIDIZING	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>	(OTHER) <u>Status of Well</u>	<input checked="" type="checkbox"/>	ABANDONMENT	<input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

December 1970: Navajo 138-2 Status: Shut in Gas Well.

8. I hereby certify that the foregoing is true and correct.

Signed [Signature] Title Dist. Prod. Mgr. Date 2/19/71

Form No. 106

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STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Sundry Notices and Reports On Wells
File Two Copies
Form No. 25

CORE ANALYSIS RESULTS

#106

Texas Pacific Coal & Oil Company
 #2 Navajo 138
 Apache County, Arizona

Sample Number	Depth Feet	Permeability Millidarcys		Porosity Per Cent	Residual Saturation % Pore	
					Oil	Water
63	56.2-53.2	2.6	2.5	8.8	12.7	43.5
64	63.2-65.0	1.6	1.6	7.2	4.3	71.7
65	65.0-67.0	1.5	1.4	9.8	1.3	77.3
66	67.0-69.0	3.2	0.8	9.6	1.0	76.4
67	69.0-70.8	0.6	0.3	9.5	1.4	74.1
68	70.8-72.5	0.3	0.1	11.1	2.0	76.6
69	72.5-74.0	90	0.3	9.4	1.1	77.8
70	74.0-75.2	1.0 *		10.9	1.0	80.1
71	75.2-77.2	4.4 *		11.5	1.0	76.4
72	77.2-79.0	2.4	2.4	11.70	1.0	77.9
73	79.0-80.8	0.1	<0.1	10.4	1.3	74.0
74	80.8-82.6	3.5	4.1	10.0	1.2	72.3
75	82.6-84.5	6.3	1.3	10.1	0.7	75.8
76	84.5-86.0	<0.01 *		9.8	1.0	71.6

* Matrix Permeability

106

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: Monsanto Company Address: Suite 1102 Lincoln Tower Bldg., Denver, Colorado
 Federal, State or Indian Lease Number or name of lessor if fee lease: Navajo 138 (14-20-603-4190) Well Number: 2 Field & Reservoir: Dry Mesa
 Location: SW 1/4 Sec. 12 County: Apache

Sec. TWP-Range or Block & Survey: Sec. 12, T40N, R28E
 Date spudded: _____ Date total depth reached: _____ Date completed, ready to produce: 7/17/69 Elevation (DF, RKB, RT or Gr.) feet: 5967 DF Elevation of casing hd. flange feet: 5957
 Total depth: _____ P.B.T.D.: 5426 Single, dual or triple completion?: Single If this is a dual or triple completion, furnish separate report for each completion.
 Producing interval (s) for this completion: 5053-79 5085-90 Paradox Rotary tools used (interval): _____ Cable tools used (interval): _____
 Was this well directionally drilled? No 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): Dresser Atlas GR-Neutron 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
Initial Completion April 1960						
Surface	9 5/8"	5 1/2"	32.3#	1117'	900	None
Production	7 7/8"	5 1/2"	15.5# & 17.0#	5766'	550	None

TUBING RECORD

LINER RECORD

Size	Depth set	Packer set at	Size	Top	Bottom	Sacks cement	Screen (ft.)
2 3/8 in.	5079 ft.	5032 ft.					

PERFORATION RECORD

ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD

Number per ft.	Size & type	Depth Interval	Amt. & kind of material used	Depth Interval
2	NCF II	5053-79'	2500 Gal. 15%	5053-79, 5085-90
2	NCF II	5085-90	HCL Regular Acid	

INITIAL PRODUCTION

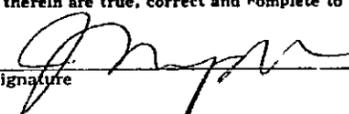
Date of first production: 7/17/69 Producing method (indicate if flowing, gas lift or pumping—if pumping, show size & type of pump): *Flowing

Date of test	Hrs. tested	Choke size	Oil prod. during test	Gas prod. during test	Water prod. during test	Oil gravity
7/23	72	16/64	126 bbls.	5.885 MCF	2.2 bbls.	62.8° API (Corr)
			6.0 bbls.	2030 MCF	1.0 bbls.	467,000

Disposition of gas (state whether vented, used for fuel or sold): ** Final 24 hour rate. *Shut-In pending further evaluation or market development.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the District Production Supt. of the Monsanto Company (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: August 4, 1969

Signature: 



STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Well Completion or Recompletion Report and Well Log

Permit No. 106

Form No. 4

File one Copy es
Two

(Complete Reverse Side)

SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Monsanto Company
 2. OIL WELL GAS WELL OTHER (Specify) Recompletion
 3. Well Name Navajo 138 #2
 Location SW NW
 Sec. 12 Twp. 40N Rge. 28E County Apache Arizona.
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190
 5. Field or Pool Name Dry Mesa

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) <input type="checkbox"/>	ABANDONMENT <input type="checkbox"/>

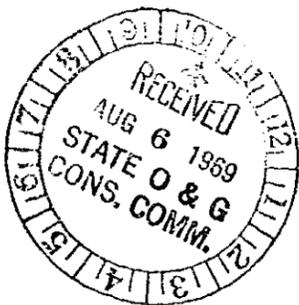
(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

7/14/69 - Set packer and plug at 5476', ran Gamma Ray Neutron, perforate 5053-79 & 5085-90 with 2 NCF II shots per foot.

7/15/69 - Ran tubing set at 5079 (packer at 5032). Producing 76 MCF day, 48/64 choke, 0 tubing pressure.

7/16/69 - Acidize with 2500 gallons 15% HCL Regular acid, swab well in - unloading acid water. (See subsequent Well Completion Report Form 4).



8. I hereby certify that the foregoing is true and correct.

Signed [Signature]

Title District Prod. Supt. Date 8/4/69

Permit No. 106

STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 Sundry Notices and Reports On Wells
 File 1 Copies
 Form No. 25

Form 9-331
(May 1963)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPlicate
(Other instructions on re-
verse side)

Form approved
Budget Bureau No. 42-B1424

5. LEASE DESIGNATION AND SERIAL NO.

14-20-503-410

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Navajo

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Navajo 13th

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

Dry Mesa

11. SEC., T., R., M., OR BLK. AND SURVEY OR ARRA

Sec. 12, T40N, R20E

12. COUNTY OR PARISH 13. STATE

Apache

Arizona

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Monsanto Company

3. ADDRESS OF OPERATOR
Suite 1102 Lincoln Tower Bldg., Denver, Colorado 80203

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface

SW 1/4 Sec. 12

14. PERMIT NO.

15. ELEVATIONS (Show whether DP, ST, CR, etc.)

5057 DP

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

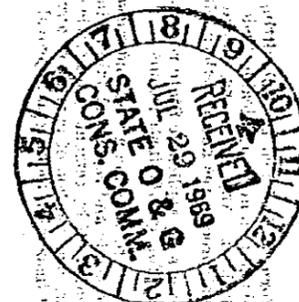
ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

7/15-17/69 - Set plug at 5425 and perforated Paradox gas zone from 5053-79 to 5015-95'. Acidized with 2900 gallons regular acid and start well 15.

7/25/69 - Commenced pressure testing. (Recompletion Report Form 9-330 will be submitted as soon as tests are completed).



18. I hereby certify that the foregoing is true and correct

ORIGINAL SIGNED

SIGNED J. MURPHY, JR.

TITLE District Production Supt.

DATE 7/28/69

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

106

*See Instructions on Reverse Side

Instructions

General: This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal law and regulations, and, if approved or accepted by any State, pursuant to applicable State law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 17: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left-in-the-hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

U.S. GOVERNMENT PRINTING OFFICE: 1961-O-585229
GPO 8 37-499 887-181

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WELL ABANDONMENT REPORT

Check appropriate box to indicate whether the well is:
1. Being abandoned in accordance with applicable Federal law and regulations.
2. Being abandoned in accordance with applicable State law and regulations.
3. Being abandoned in accordance with applicable Federal law and regulations and applicable State law and regulations.

1. Name of well: _____
2. Well number: _____
3. Section: _____
4. Township: _____
5. Range: _____
6. County: _____
7. State: _____
8. Date of abandonment: _____
9. Name of operator: _____
10. Name of contractor: _____
11. Name of inspector: _____
12. Signature of operator: _____
13. Signature of contractor: _____
14. Signature of inspector: _____

ARIZONA OIL AND GAS CONSERVATION COMMISSION
MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special		Test Date 7/23/69		Well Name Navajo 138-2							
Company Monsanto Company		Connection Not Connected		Permit No. 106							
Pool Dry Mesa		Formation Paradox		Unit							
Completion Date		Total Depth 5771	Plug Back TD 5426	Elevation 5980 KB	Farm or Lease Name Navajo						
Csg. Size 5 1/2	Wt. 15.5	d 4.950	Set At 5766	Perforations: From 5053 To 5095	Well No. 138-2						
Tbg. Size 2 3/8	Wt. 4.7	d 1.995	Set At 5032	Perforations: From To	Sec. Twp. Rgc. SW NW 12 40N 28E						
Type Well — Single — Bradenhead — G.G. or G.O. Multiple Single				Packer Set At 5032'	County Apache						
Producing Thru Tubing 5040		Reservoir Temp. °F 120 @ 5040	Mean Annual Temp. °F 60	Baro. Pres. — P _a 12.2	State Arizona						
L 5040	H 5040	Gg. 0.718	% CO ₂ 3.5	% N ₂ 4.0	% He 0.4						
			Prover	Meter Run 3"	Taps Flange						
FLOW DATA			TUBING DATA		CASING DATA						
NO.	Prover Line Size	X	Choke Orifice Size	Press. p.s.i.g.	Diff. h _w	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g. Bomb	Temp. °F	Duration of Flow
SI	3"		1.5"				1268	75	1469.9		SI 144 hrs.
1.	3"		1.5"	238	9.5"	67	1207	75	1407.9		4 hrs.
2.	3"		1.5"	245	31.5"	67	1118	74	1316.7		1 hrs.
3.	3"		1.5"	250	61.0	65	1027	72	1223.1		1 1/4 hrs.
4.	3"		1.5"	300	73.0	64	950	71	1151.7		1 1/4 hrs.
5.											
RATE OF FLOW CALCULATIONS											
NO.	Coefficient (24-Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor F _g	Super Compress. Factor. F _{pv}	Rate of Flow Q. Mcfd				
1.	11.23	48.76	250.2	.9933	1.180	1.025	658				
2.	11.23	90.01	257.2	.9933	1.180	1.025	1214				
3.	11.23	126.5	262.2	.9952	1.180	1.028	1715				
4.	11.23	151.0	312.2	.9962	1.180	1.033	2059				
5.											
NO.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio Dry Gas Mcf/bbl.		API Gravity of Liquid Hydrocarbons. Deg.				
1.	.37	527	1.39	.952	Specific Gravity Separator Gas 0.718		Specific Gravity Flowing Fluid				
2.	.38	527	1.39	.951	Critical Pressure 678		Critical Temperature 380				
3.	.39	525	1.38	.947							
4.	.46	524	1.38	.938							
5.											
P _c 1482.1 P _c ² 2196.6				P _c ² = 3.276						2.415	
NO.	P _t ²	P _w	P _w ²	P _c ² - P _w ²	(1) $\frac{P_c^2}{P_c^2 - P_w^2}$						
1.		1420.1	2016.7	179.9							
2.		1328.9	1766.0	430.6							
3.		1235.3	1526.0	670.6							
4.		1163.9	1354.7	841.9							
5.											
Absolute Open Flow 4142		Mcf/d @ 15.025		Angle of Slope e 53°33"		Slope. n. .743					
Remarks: Bomb Pressures taken											

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the District Prod. Supt. of the Monsanto (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 7/28/69 Signature *[Signature]* 106

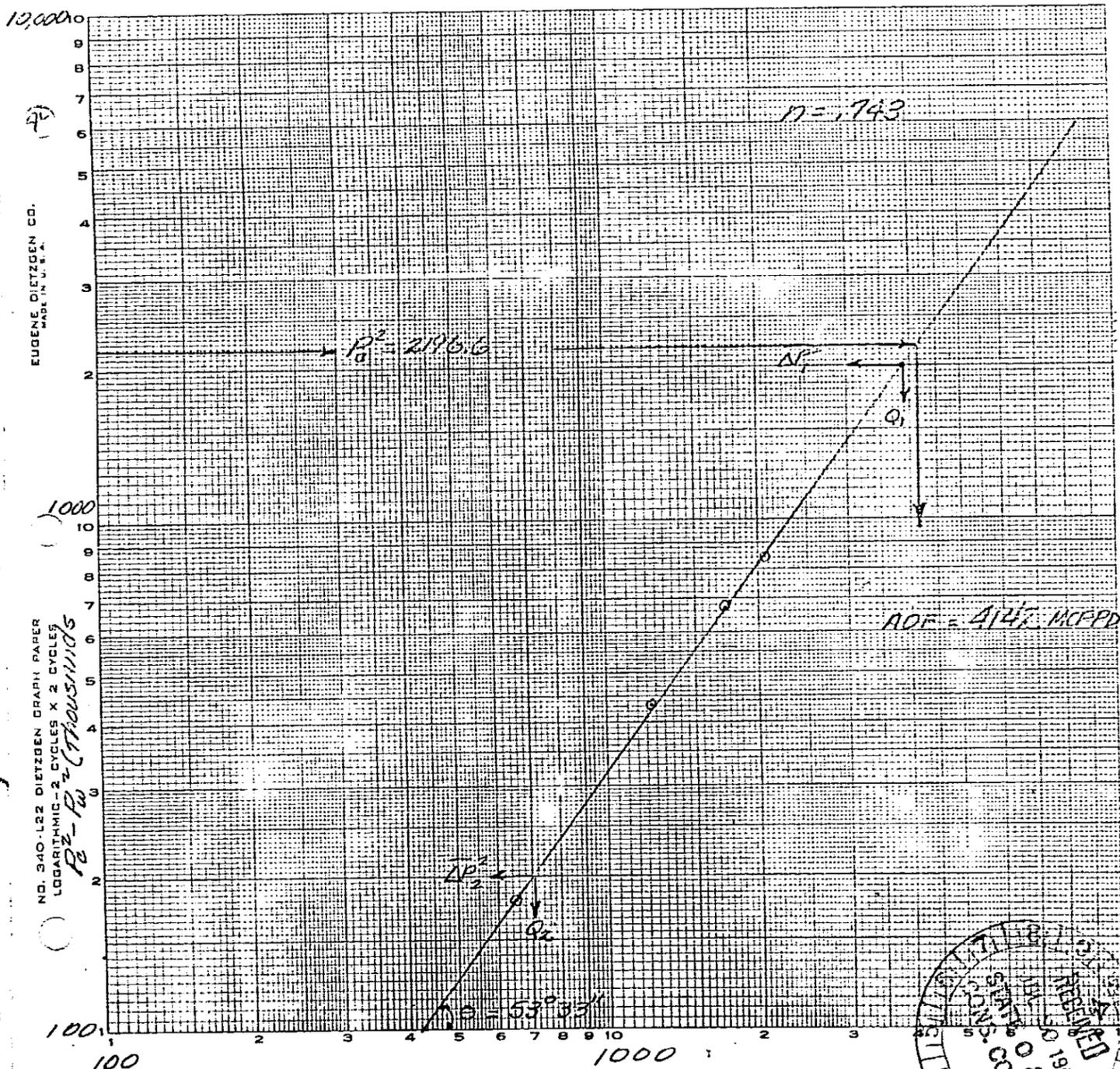
STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION
 Multipoint and One Point Back Pressure Tests for Gas Well
 Form No. 18 (File two copies)



Monsanto Company

NAVAJO 138-R

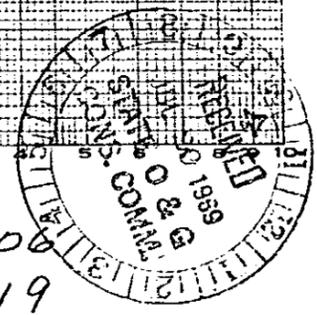
7/23/69



EUGENE DIETZGEN CO.
MADE IN U.S.A.

NO. 340-L22 DIETZGEN GRAPH PAPER
LOGARITHMIC - 2 CYCLES X 2 CYCLES
 $P_2 - P_w^2$ (Thousands)

$\Delta P_1^2 = 2000$ $Q_1 = 3900$ $\log Q_1 = 3.59106$
 $\Delta P_2^2 = 200$ $Q_2 = 705$ $\log Q_2 = 2.84819$
 $n = .74287 = .743$



18 106

X-Chrono
~~X-Chrono~~

July 18, 1969

Re: Monsanto (Texas Pacific) Navajo #138-2
T40N, R28E, G & SRM
Sec. 12: SW/4 NW/4
Apache County
Permit #106

From J. Scurlock

Telephone call from Monsanto requesting verbal permission to work over well. They want to flare about 5 or 6 million cubic feet of gas. Gave them permission (verbal) to do this. They are to send us a memo giving us all of the details of this proposed work - over job. Also they are to clear with Phil McGrath, USGS, and P. K. Hurlbut.

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

MONSANTO COMPANY
NAME OF COMPANY OR OPERATOR

Suite 1102 Lincoln Tower Bldg., 1860 Lincoln Street, Denver, Colorado 80203
Address City State

Not Yet Awarded

Drilling Contractor

Address

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor 14-20-603-4190 Navajo Tract	Well number 138 2	Elevation (ground) 5957
Nearest distance from proposed location to property or lease line: 3,300 feet	Distance from proposed location to nearest drilling, completed or applied—for well on the same lease: 1875 feet	
Number of acres in lease: 2,357	Number of wells on lease, including this well, completed in or drilling to this reservoir: One	
Lease, purchased with one or more wells drilled, from whom purchased: Name	Address	

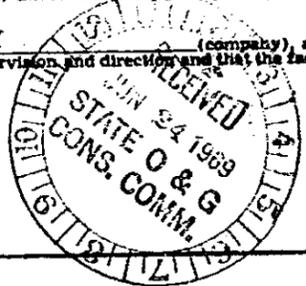
Well location (give footage from section lines) 660 FWL 1980 FWL	Section—township—range or block and survey Sec. 12 T40N R28E	Dedication (Comply with Rule 105) 640 (Section 12)
Field and reservoir (if wildcat, so state) Dry Mesa	County Apache	
Distance, in miles, and direction from nearest town or post office		

Proposed depth: Unchanged	Rotary or cable tools Service Unit	Approx. date work will start
Bond Status In Effect	Organization Report	Filing Fee of \$25.00
Amount \$25,000	On file <input checked="" type="checkbox"/> Or attached	Attached Not Applicable

Remarks: Propose to set a bridge plug above existing perforations and perforate 5053-90 zone, acidize & test. Accurate data will be kept of all gas flared during test to determine rates & reserves for market justification. After testing, this gas will be used for lease fuel on Navajo 138 #1 & #3.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Dist. Prod. Supt. of the

MONSANTO COMPANY (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.



Signature J. Murphy, Jr.
Date June 9, 1969

Permit Number: 106
Approval Date: 6-24-69
Approved By: John Bannister

Notice: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

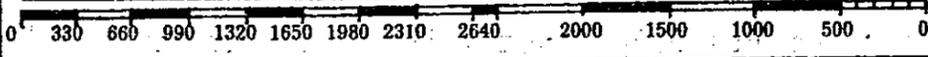
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Application to Drill or Re-enter
File Two Copies

Form No. 3

1. Operator shall outline the dedicated acreage for both oil and gas wells on the plat.
2. A registered professional engineer or land surveyor registered in the State of Arizona or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
3. All distances shown on the plat must be from the outer boundaries of the Section.
4. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES _____ NO X
5. If the answer to question four is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES X NO _____. If answer is "yes," Type of Consolidation _____
6. If the answer to question four is "no," list all the owners and their respective interests below:

Owner	Union Oil Company of California 25%	Land Description	
	Texas Pacific Oil Company 25%		
	Sun Oil Company 25%		

<table border="1" style="width: 100%; height: 150px; border-collapse: collapse;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">2</td> <td style="width: 25%; text-align: center;">1</td> <td style="width: 25%;"></td> </tr> <tr> <td></td> <td style="text-align: center;">11</td> <td style="text-align: center;">X 12</td> <td></td> </tr> </table>		2	1			11	X 12		<p style="text-align: center;">CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p><i>J. Murphy</i> Name J. Murphy, Jr.</p> <p>Position District Production Supt.</p> <p>Company Monsanto Company</p> <p>Date June 23, 1969</p> <p>I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed _____</p> <p>Registered Professional Engineer and/or Land Surveyor _____</p> <p>Certificate No. _____</p>
	2	1							
	11	X 12							



PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement

Form 331
(May 1963)

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPlicate
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1424.

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 14-20-603-4190
2. NAME OF OPERATOR Monsanto Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo Tribal
3. ADDRESS OF OPERATOR Suite 1102 Lincoln Tower Bldg., Denver, Colorado 80203		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface SW NW Sec. 12		8. FARM OR LEASE NAME Navajo Tract 138
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, RT, OR, etc.) 5967 DF	9. WELL NO. 2
16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data		10. FIELD AND POOL, OR WILDCAT Dry Mesa
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 12, T40N, R28E
		12. COUNTY OR PARISH Apache
		13. STATE Arizona

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input checked="" type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

April 25, 1960, at TD of 5771' set 5794' of 5 1/2" casing at 5766' with 550 sacks, top of cement at 4100'. Perforated interval of 5576-90', 5632-47' uneconomical and well TA in 1966.

Upon completion, the Paradox zone DST tested 1350 MCF/day.

Workover proposal is to set a bridge plug above existing perforations and perforate the 5053-90 zone, acidize and test. Accurate data will be kept of all gas flared during testing to determine rates and reserves for market justification. After testing, this gas will be used for lease fuel on Navajo 138 Nos. 1 & 3.



18. I hereby certify that the foregoing is true and correct

SIGNED _____ ORIGINAL SIGNED J. MURPHY, JR. TITLE District Production Supt. DATE May 21, 1969

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

15 106

TEXAS PACIFIC COAL AND OIL COMPANY

NAVAJO TRACT 138 Well No. 2

SW/4 NW/4 Section 12, 40N, 28E
Apache County, Arizona

Log of Cores and Drill Stem Tests

- Core #1. 4918-4935, Rec. 17'.
4918-4925' tight lm. w/slight fractures. N.S.
4925-4928' lm. w/v pros. vertical fractures. Bleeding oil.
4928-4935' tight lm. Vertical fractures w/slight show oil in fractures.
- Core #2. 5058-5079', Rec. 21'.
5058-5060' lm. vert. fractures. Good show oil along fractures.
5060-5065' lm. scattered fractures, tight. Good show oil along fractures.
5065-5070' lm. scattered fractures, bleeding oil.
5070-5072' lm. Fractured. Good show oil in fractures.
5072-5074' Lt. brown dolomite, tight w/show in scattered fractures.
5074-5078' Lt. brown dolomite, show oil along hairline fractures.
5078-5079' Gray buff dolomite w/show along tight fracture.
- Core #3. 5551-5592', Rec. 41'.
5551-5560' lm. hairline fractures. N.S.
5560-5563' lm. vertical hairline fractures. N.S.
5563-5564' lm. tight vertical hairline fracture, slight bleeding oil.
5564-5579' lm. tight vertical hairline fracture. N.S.
5579-5581' Dolomite, gray scattered, vuggy poro. bleeding oil and water slightly salty along tight vertical hairline fractures.
5581-5582' lm. No show.
5582-5584' Dolomite, bleeding oil and water, slightly salty along hairline fractures.
5584-5592' Dolomite, bleeding oil and water, slightly salty w/some open fractures bleeding oil and water, slightly salty.
- Core #4. 5592-5609', Rec. 17'.
5592-5594' lm. some fractures, bleeding oil.
5594-5595' lm. some fractures, bleeding oil, trace stain.
5595-5596' lm. slight stain and fluorescence.
5596-5598' lm. N.S.
5598-5599' lm. N.S.
5599-5600' lm. N.S.
5600-5609' lm. No poro. N.S.
- Core #5. 5609-5618', Rec. 9'.
5609-5612' lm. gray, tight, some chert. No porosity, faint stain.
5612-5614' lm. gray. No porosity. N.S.
5614-5615' lm. gray. Trace scattered vuggy porosity. N.S.
5615-5618' lm. gray. No porosity. N.S.
- Core #6. 5618-5629' Rec. 11'.
5618-5619½' lm. N.S.
5619½-5620½' lm. shly, scattered vuggy poro. N.S.
5620½-5622' Dolomite, fair vuggy porosity hairline fracture, bleeding oil.
5622-5623' Dolomite, fair vuggy porosity. N.S.
5623-5625' Dolomite, some vuggy open fracture. N.S.
5625-5626½' Dolomite, fair porosity, few fractures, bleeding oil.
5626½-5629' badly shattered gray dolomite.
- Core #7. 5629-5640', Rec. 11'.
5629-5632' Dolomite, poor vuggy porosity tight fractured, bleeding oil.
5632-5633½' Dolomite, poor porosity, few open fractures, bleeding oil.
5633½-5634' Dolomite, poor vuggy porosity, tight fractures, bleeding oil.
5634-5635' Dolomite poor to fair, vuggy porosity tight fractures, bleeding oil.
5635-5637' Dolomite slt. anhy, poor to fair porosity fracture, bleeding oil.
5637-5640' Dolomite and shale, fair to good vuggy porosity, tight fracture, bleeding oil.

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-2- Navajo Tract 138 Well No. 2 (Contd.)

- Core #8. 5640-5661' Rec. 21'.
5640-5661' Dolomite fair to good porosity bleeding oil along tight
hairline fractures.
- Core #9. 5661-5686' Rec. 25'.
5661-5662' gray buff dolomite, good to poor porosity bleeding oil.
5662-5686' Dolomite some vuggy porosity. N.S.
- DST #1 5049-5079.
Tool open 45 mins., strong blow GTS 3 min. Est. 1,350 MCFPD, strong
sulphur odor. Rec. 120' D.M. w/strong sulphur odor. IFP 185#, FFP 185#,
ISIP 1460#, FSIP 1460#, 1HP 2645#, FHP 2615#.
- DST #2 5225-5253.
Tool open 35 mins., strong blow immediately GTS 2½ mins., Est. 185 MCFPD
w/strong sulphur odor. Rec. 90' D.M. w/strong sulphur odor, ISIP 1510#,
FSIP 1500#, IFP 125#, FFP 155#, HP 2665#.
- DST #3 5529-5618.
Tool open 2 hrs. weak blow, died in 2 mins. Rec. 25' D.M., gas cut,
IFP 0#, FFP 0#, ISIP 175#, FSIP 25#, 1 HP 2880#, FHP 2850#.
- DST #4 5620-5661'.
Tool open 4 hrs. weak to med. flow throughout test, no GTS. Rec. 372'
gas in D.P. 827' fluid 30' oil cut mud, 269' sli oil and gas cut mud,
528' water sli salty, 1 FP 30#, FFP 345#, ISIP 1510#, FSIP 1493#, 1 HP
2928# FHP 2928#

TEXAS PACIFIC COAL AND OIL COMPANY

NAVAJO TRACT 138 Well No. 2

SW/4 NW/4 Section 12, 40N, 28E
Apache County, Arizona

Log of Cores and Drill Stem Tests

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- Core #3. 5551-5592', Rec. 41'.
5551-5560' lm. hairline fractures. N.S.
5560-5563' lm. vertical hairline fractures. N.S.
5563-5564' lm. tight vertical hairline fracture, slight bleeding oil.
5564-5579' lm. tight vertical hairline fracture. N.S.
5579-5581' Dolomite, gray scattered, vuggy poro. bleeding oil and water slightly salty along tight vertical hairline fractures.
5581-5582' lm. No show.
5582-5584' Dolomite, bleeding oil and water, slightly salty along hairline fractures.
5584-5592' Dolomite, bleeding oil and water, slightly salty w/some open fractures bleeding oil and water, slightly salty.
- Core #4. 5592-5609', Rec. 17'.
5592-5594' lm. some fractures, bleeding oil.
5594-5595' lm. some fractures, bleeding oil, trace stain.
5595-5596' lm. slight stain and fluorescence.
5596-5598' lm. N.S.
5598-5599' lm. N.S.
5599-5600' lm. N.S.
5600-5609' lm. No poro. N.S.
- Core #5. 5609-5618', Rec. 9'.
5609-5612' lm. gray, tight, some chert. No porosity, faint stain.
5612-5614' lm. gray. No porosity. N.S.
5614-5615', lm. gray. Trace scattered vuggy porosity. N.S.
5615-5618' lm. gray. No porosity. N.S.
- Core #6. 5618-5629' Rec. 11'.
5618-5619½' lm. N.S.
5619½-5620½' lm. shly, scattered vuggy poro. N.S.
5620½-5622' Dolomite, fair vuggy porosity hairline fracture, bleeding oil.
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5623-5625' Dolomite, some vuggy open fracture. N.S.
5625-5626½' Dolomite, fair porosity, few fractures, bleeding oil.
5626½-5629', badly shattered gray dolomite.
- Core #7. 5629-5640', Rec. 11'.
5629-5632' Dolomite, poor vuggy porosity tight fractured, bleeding oil.
5632-5633½' Dolomite, poor porosity, few open fractures, bleeding oil.
5633½-5634' Dolomite, poor vuggy porosity, tight fractures, bleeding oil.
5634-5635' Dolomite poor to fair, vuggy porosity tight fractures, bleeding oil.
5635-5637' Dolomite slt. anhy, poor to fair porosity fracture, bleeding oil.
5637-5640' Dolomite and shale, fair to good vuggy porosity, tight fracture, bleeding oil.

-2- Navajo Tract 138 Well No. 2 (Contd.)

- Core #8. 5640-5661' Rec. 21'.
5640-5661' Dolomite fair to good porosity bleeding oil along tight hairline fractures.
- Core #9. 5661-5686' Rec. 25'.
5661-5662' gray buff dolomite, good to poor porosity bleeding oil.
5662-5686' Dolomite some vuggy porosity. N.S.
- DST #1 5049-5079.
Tool open 45 mins., strong blow GTS 3 min. Est. 1,350 MGFPD, strong sulphur odor. Rec. 120' D.M. w/strong sulphur odor. IFP 185#, FFP 185#, ISIP 1460#, FSIP 1460#, LHP 2645#, FHP 2615#.
- DST #2 5225-5253.
Tool open 35 mins., strong blow immediately GTS 2½ mins., Est. 185 MGFPD w/strong sulphur odor. Rec. 90' D.M. w/strong sulphur odor, ISIP 1510#, FSIP 1500#. IFP 125#, FFP 155#, HP 2665#.
- DST #3 5529-5618.
Tool open 2 hrs. weak blow, died in 2 mins. Rec. 25' D.M., gas cut, IFP 0#, FFP 0#, ISIP 175#, FSIP 25#, 1 HP 2880#, FHP 2850#.
- DST #4 5620-5661'.
Tool open 4 hrs. weak to med. flow throughout test, no GTS. Rec. 372' gas in D.P. 827' fluid 30' oil cut mud, 269' sli oil and gas cut mud, 528' water sli salty, 1 FP 30#, FFP 345#, ISIP 1510#, FSIP 1493#, 1 HP 2928# FHP 2928#



DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

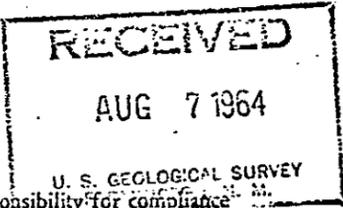
DISTRICT LAND OFFICE: Window Rock, Arizona (Navajo Tribe of Indians)
SERIAL No.: Contract No. 11-20-603-4190

and hereby designates

NAME: Monsanto Chemical Company, Hydrocarbons Division
ADDRESS: 900 Patterson Bldg., Denver, Colorado 802020

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

All of fractional Sections 1 and 2, all of Sections 11 and 12,
Township 40 North, Range 28 East, Apache County, Arizona.



It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

JOSEPH E. SEAGRAM & SONS, INC.

By *Joseph E. Seagram*
(Signature of lessee) Attorney-in-fact

July 29, 1964
(Date)

P.O. Box 2110, Fort Worth, Texas
(Address)

U. S. GOVERNMENT PRINTING OFFICE 16-53508-3

Ed Schaefer



106

**OPERATOR'S CERTIFICATE OF COMPLIANCE AND AUTHORIZATION
TO TRANSPORT OIL OR GAS FROM LEASE**

Lease Navajo Tract 138	Field Dry Mesa	Reservoir Mississippian
Survey or Sec-Twp-Rge Sec. 2, 11 & 12-40N-28E	County Apache	State Arizona
Operator TEXAS PACIFIC OIL COMPANY		
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:		
Street P.O. Box 2110	City Fort Worth	State Texas
Above named operator authorizes (name of transporter) McWood Corporation (Trucks)		
Transporter's street address 364 Petroleum Building	City Abilene	State Texas
Field address P.O. Box 1702 Farmington, New Mexico		
Oil, condensate, gas well gas, casinghead gas		
To transport	100 % of the oil	from said lease.
OTHER GATHERERS TRANSPORTING FROM THIS LEASE ARE AS FOLLOWS:		
Name of gatherer none	% transported	Product transported
Indicate whether or not this certificate is for a new lease. If not a new lease, indicate whether or not it is a change of operator, change of lease name, change of gatherer, or a consolidation or subdivision of leases and give effective date of change.		
Change of Operator from: TEXAS PACIFIC COAL AND OIL COMPANY		

The undersigned certifies that the rules and regulations of the State Land Commissioner have been complied with in drilling and producing operations on this lease, except as noted above, and that the above transporter is authorized to transport the above specified percentage of the allowable oil or gas produced from the above described property, and that this authorization will be valid until further notice or until cancelled by the State Land Commissioner.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Manager of Production of the Texas Pacific Oil Company (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 10-31-63

Signature *D. A. Bonney* **D. A. Bonney**

Date approved: Nov. 6, 1963 *John K. Petty*

By: _____

Commissioner's Number: 7

File No. _____

STATE OF ARIZONA STATE LAND COMMISSIONER	
Operator's Certificate of Compliance & Authorization to Transport oil or Gas from Lease	
Form No. P-17	File three copies
Authorized by Order No. _____	4859
Effective _____	April 6, 1959

106 70

NEW WELL COMPLETION
(OFFICIAL COMPLETION GAUGE)

Date of First Production Test 5-5-60 Date of Completion Gauge 6-3-60

Total Oil saved while testing well prior to the date of the official completion gauge 360 Barrels.

Production Gauge on 24 Hour Basis 40 Bbl. Oil; 83 % Water; Negligible MCF Gas.

The undersigned certifies that the Rules and Regulations of the Commissioner have been complied with except as noted above, and that the transporter('s) authorized to transport the percentage of Oil and/or Gas produced from the above described drilling unit, and that this authorization will be valid until further notice to the transporter named herein or until cancelled by the Commissioner.

Executed this the 20th day of July 19 60.

TEXAS PACIFIC COAL AND OIL COMPANY
(Company or Operator)
[Signature] Manager of Production
(Affiant) (Title)

STATE OF TEXAS
COUNTY OF TARRANT

Before me, the undersigned authority, on this day personally appeared D.A. Bonney, 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 20th day of July 19 60.

Ruth Barfield Ruth Barfield
Notary Public In and For
Tarrant County, Texas

Approved: [Signature]
COMMISSIONER

By: _____

(FOLLOW INSTRUCTIONS ON INSTRUCTION SHEET)

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: Texas Pacific Coal and Oil Company Address: P. O. Box 2110, Fort Worth 1, Texas

Lease Name: Navajo Tract 138 Well Number: 2 Field & Reservoir: Dry Mesa-Mississippian

Location: 1980' from NL and 660' from WL Sec.-TWP-Range or Block & Survey: 12 40N 28E

County: Apache Permit number: 106 Date Issued: 2-5-60 Previous permit number: _____ Date Issued: _____

Date spudded: 3-22-60 Date total depth reached: 4-24-60 Date completed, ready to produce: 5-27-60 Elevation (DF, RKB, RT or Gr.) feet: 5967 Gr Elevation of casing hd. flange feet: _____

Total depth: 5771 P.B.T.D.: _____ Single, dual or triple completion?: Single If this is a dual or triple completion, furnish separate report for each completion.

Producing interval (s) for this completion: 5576-5590 Rotary tools used (interval): 0-5771 Cable tools used (interval): No

Was this well directionally drilled?: No Was directional survey made?: No Was copy of directional survey filed?: _____ Date filed: _____

Type of electrical or other logs run (check logs filed with the commission): Induction Electrical, Gamma Ray-Neutron, Sonic Date filed: Filed but date unknown

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
Surface	13 3/4	9 5/8	32.30	1117'	900	0
Producing	7 7/8	5 1/2	14 & 15.5	5766'	550	0

TUBING RECORD

LINER RECORD

Size	Depth set	Packer set at	Size	Top	Bottom	Sacks cement	Screen (ft.)
2 3/8 in.	5722 ft.						

PERFORATION RECORD

ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD

Number per ft.	Size & type	Depth Interval	Am't. & kind of material used	Depth Interval
4	Jet	5576-5590	500 gal. Mud Acid	5576-5590

INITIAL PRODUCTION

Date of first production: 5-5-60 Producing method (indicate if flowing, gas lift or pumping—if pumping, show size & type of pump): Pumping 1 3/4" Tubing Pump

Date of test: 6-3-60 Hrs. tested: 24 Choke size: 2" Oil prod. during test: 40 bbls. Gas prod. during test: Negligible MCF Water prod. during test: 206 bbls. Oil gravity: 40.5° API (Corr)

Tubing pressure: 26# Casing pressure: 4# Cal'ated rate of Production per 24 hrs.: _____ Oil: 40 bbls. Gas: _____ MCF Water: 206 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 Manager of Production of the Texas Pacific Coal and Oil Company (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: June 28, 1960

Signature: _____

D.A. Bonney

STATE OF ARIZONA STATE LAND COMMISSIONER

Well Completion or Recompletion Report and Well Log
Form No. P-7 File two copies
Authorized by Order No. 4-6-59

Effective April 6, 19 59

106-37

DETAIL OF FORMATIONS PENETRATED

Formation	Top	Bottom	Description*
Surface sand & Shale	0	516	Top Entrada 455'
Gravel & Sand	516	973	
Surface sand & Shale	973	1120	Top Shinarump 2045'
Shale	1120	1590	
Redbed & Sand	1590	2255	
Sand & Shale	2255	2677	
Sand & Shale	2677	3072	Top Coconino 2302'
Shale	3072	3173	Top Hermosa 4050'
Shale	3173	3290	
Sand, Shale & Anhy	3290	3399	
Sand & Shale	3399	4200	
Sand & Shale	4200	4305	
Sand & Chert	4305	4376	
Lime & Shale	4376	4505	
Sand & Shale	4505	4561	
Lime & Chert	4561	4608	
Shale & Lime	4608	4792	
Sand & Lime	4792	4836	Top Ismay 4580'
Lime	4836	5006	
Shale & Lime	5006	5045	Top Molas 5400'
Lime	5045	5068	
Lime	5068	5074	
Dolomite	5074	5079	
Shale & Lime	5079	5100	
Lime & Chert	5100	5142	
Lime	5142	5328	
Sand, Shale & Chert	5328	5388	
Shale & Lime	5388	5501	
Lime & Sand	5501	5551	
Lime	5551	5579	
Dolomite	5579	5581	
Lime	5581	5582	
Dolomite	5582	5592	
Dolomite	5592	5609	
Lime w/Chert	5609	5612	
Lime	5612	5618	
Lime	5618	5620	
Dolomite	5620	5629	
Lime & Shale	5629	5640	
Dolomite	5640	5661	
Dolomite	5661	5686	
Shale & Lime	5686	5712	
Shale & Lime	5712	5753	
Lime Quartzite	5753	5771	
Total Depth		5771	Top Pre Cambrian 5750'

* Show all important zones of porosity, detail of all cores, and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.

INSTRUCTIONS:

Attach drillers log or other acceptable log of well.

This Well Completion or Recompletion report and well log shall be filed with the State Land Commissioner not later than thirty days after project completion.

RESERVOIR PRESSURE REPORT

Texas Pacific Coal and Oil Company
Operator

Address
P.O. Box 2110, Fort Worth 1, Texas

County

Apache

Date
6-21-60

Field
Dry Mesa
Producing Formation
Mississippian

Oil Gradient
0.405 Avg.

Water Gradient
Fluid Gradient

Initial Completion
X

Bomb Test Data

Special

General Survey

Datum Plane
356

Gas Gravity

Pressure At Datum

Lease	No. of Wells	Oil (G) or Gas (M)	Date Tested	Elevation (ft)	Shut-in Tubing Pressure	Bomb Test Data			Sonic Instrument Test Data							
						Test Depth	B.H. Temp.	Observed Pressure	Prod. Test (Bbls per Day)	Water	Liquid Level	Liquid Gradient	Wt. of Liquid Column	Wt. of Gas Column	Casing Pressure	
Navajo Tract 138	2	Oil	6-7-60	72	0				40	206	2785	0.405			4	1132

* Denominate type of report by "X".

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Manager of Production of the Texas Pacific Coal and Oil Co. (company), and that I am authorized by said company to make this report; and 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 June 28, 1960

Signature *D.A. Bonney*
D.A. Bonney

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

Reservoir Pressure Report
Form No. P-12
Authorized by Order No. 4-6-59

Effective April 6, 1959

POTENTIAL TEST AND REQUEST FOR ALLOWABLE - OIL WELLS

DESIGNATE TYPE OF COMPLETION:

New Well Work-over Deepen Plug Back Same Reservoir Different Reservoir

Other Reason For Filing:

Operator
Texas Pacific Coal and Oil Company

Address
P. O. Box 2110, Fort Worth 1, Texas

DESCRIPTION OF WELL AND LEASE

Lease Name Navajo Tract 138	Well No. 2	County Apache
Location 1930' from NL and 660' from WL of Sec. 12-40N-28E		
Permit No. 106	Date issued 2-5-60	Previous permit No.
Date spudded 3-22-60	Date completed, ready to produce 5-27-60	Total depth 577L
Field and reservoir Dry Mesa-Mississippian	Top of pay 5576	Producing interval 5576-5590

TEST DATA

Date of first production 5-5-60	Date of test 6-3-60	Length of test 24 hrs.	Producing method (flow, pump, gas lift) Pump	Amount of load oil injected if any. 0
Number of barrels of oil produced from completion or recompletion date to test date 360		If well is produced by pumping, give pump size, length of stroke and strokes per minute. 1 3/4" - 64" Stroke 14 1/2 SPM		
Tubing pressure 26# (Heater Treater)	Casing pressure 4#	Choke size 2"		
*Actual production during test:	Oil (bbls) 40	Water (bbls) 206	Gas (MCF) Negligible	

*Production must actually equal or exceed wells daily allowable or test must be for full 24 hours

Gas-oil ratio MCF/bbl	Oil gravity 40.5	* A.P.I. corrected	Name of transporter of oil McWood Corp.
Number of acres attributed to this well 80	Number of producing wells in this reservoir on this lease, including this well. 2	Single, dual or triple completion? Single	Daily allowable requested (bbls)

Plat showing acreage attached—plat should show leases, offset wells, distance from this well to the nearest well on the same lease completed in or drilling to the same reservoir, and the boundaries of drilling and producing, or proration, units attributed to this well and other wells on the same lease completed in or drilling to the same reservoir, the number of acres in each unit and the number of acres in the lease.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Manager of Production of the Texas Pacific Coal & Oil (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.


Signature D.A. Bonney

Witnessed by: M. Wood Corp
Organization
J. L. Quinn
Signature

STATE OF ARIZONA STATE LAND COMMISSIONER
Potential Test & Request for Allowable—Oil Wells
Form No. P-8 File two copies
Authorized by Order No. 4-6-59
Effective April 6, 1959

106 25

POTENTIAL TEST AND REQUEST FOR ALLOWABLE -- OIL WELLS

DESIGNATE TYPE OF COMPLETION:

New Well Work-over Deepen Plug Back Same Reservoir Different Reservoir

Other Reason For Filing:

Operator
Texas Pacific Coal and Oil Company

Address
P. O. Box 2110, Fort Worth 1, Texas

DESCRIPTION OF WELL AND LEASE

Lease Name Navajo Tract 138	Well No. 2	County Apache
Location 1980' from NL and 660' from WL of Sec. 12-40N-26E		
Permit No. 106	Date issued 2-5-60	Previous permit No.
Date spudded 3-22-60	Date completed, ready to produce 5-27-60	Total depth 5771
Field and reservoir Dry Mesa-Mississippian	Top of pay 5576	Producing interval 5576-5590

TEST DATA

Date of first production 5-5-60	Date of test 6-3-60	Length of test 24 hrs.	Producing method (flow, pump, gas lift) Pump	Amount of load oil injected if any. 0
Number of barrels of oil produced from completion or recompletion date to test date 360		If well is produced by pumping, give pump size, length of stroke and strokes per minute. 1 3/4" - 64" Stroke 14 1/2 SPM		
Tubing pressure 26# (Heater Treater)	Casing pressure 4#	Choke size 2"		
*Actual production during test:	Oil (bbls) 40	Water (bbls) 206	Gas (MCF) Negligible	

*Production must actually equal or exceed wells daily allowable or test must be for full 24 hours

Gas-oil ratio MCF/bbl.	Oil gravity 40.5	* A.P.I. corrected	Name of transporter of oil McWood Corp.
Number of acres attributed to this well 80	Number of producing wells in this reservoir on this lease, including this well. 2	Single, dual or triple completion? Single	Daily allowable requested (bbls)

Plat showing acreage attached—plat should show leases, offset wells, distance from this well to the nearest well on the same lease completed in or drilling to the same reservoir, and the boundaries of drilling and producing, or proration, units attributed to this well and other wells on the same lease completed in or drilling to the same reservoir, the number of acres in each unit and the number of acres in the lease.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Manager of Production of the Texas Pacific Coal & Oil 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.


Signature D.A. Bonney

Witnessed by McWood Corp
Organization
J. L. Quinn
Signature

STATE OF ARIZONA STATE LAND COMMISSIONER
Potential Test & Request for Allowable—Oil Wells
Form No. P-8 File two copies
Authorized by Order No. 4-6-59
Effective April 6, 1959

106 25

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

APPLICATION TO DRILL DEEPEN PLUG BACK

NAME OF COMPANY OR OPERATOR

DATE

TEXAS PACIFIC COAL AND OIL COMPANY

February 1, 1960

Address

City

State

P. O. Box 2110

Fort Worth 1,

Texas

DESCRIPTION OF WELL AND LEASE

Name of lease

Well number

Elevation (ground)

Navajo Tract 138

2

5967

Well location

(give footage from section lines)

Section—township—range or block & survey

1980' from North Line and 660' from West line of

12 40N 28E GS&RM

Field & reservoir (if wildcat, so state)

County

Dry Mesa Mississippian

Apache

Distance, in miles, and direction from nearest town or post office

65 miles West of Shiprock, New Mexico

Nearest distance from proposed location to property or lease line:

3,300

feet

Distance from proposed location to nearest drilling, completed or applied—for well on the same lease:

1,875

feet

Proposed depth:

6,000'

Rotary or cable tools

Rotary

Approx. date work will start

February 15, 1960

Number of acres in lease:

2,357

Number of wells on lease, including this well, completed in or drilling to this reservoir:

2

If lease, purchased with one or more wells drilled, from whom purchased:

None

Status of bond

Blanket Bond on File.

Remarks: (If this is an application to deepen or plug back, briefly describe work to be done, giving present producing zone and expected new producing zone)

* Fill in Proposed Casing Program on other side

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Manager of Production of the Texas Pacific Coal and Oil Company (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.

February 1, 1960

Date

Signature

D. A. Bonney

Permit Number: 106

Approval Date: 5 February, 1960

Approved By: M. Wharton, Chairman

Notice: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

See Instruction on Reverse Side of Form

STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

Application to Drill, Deepen or Plug Back

Form No. P-1

File two copies

Authorized by Order No. 4-6-59

Effective April 6, 1959

106 26

INSTRUCTIONS

READ CAREFULLY AND COMPLY FULLY

For the purpose of this determination attach hereto a neat, accurate plat, map or sketch of this lease, section, block or lot locating thereon the proposed site for this location. Plat shall be drawn to a scale which will permit the facile observation of all pertinent data. Show distances of the proposed well from the two nearest lease and section lines, and from the nearest wells on the same lease completed in or drilling to the same reservoir. If the location requested is not in conformance with the applicable well-spacing rules, show all off-setting wells to the proposed well, and the names and addresses of all adjoining lease or property owners.

In event plat is filed for the purpose of designating the drilling and producing unit, or proration unit, on which the proposed well is to be drilled, the boundaries of such unit shall be shown, also the boundaries of all other such units attributed to other wells on the same lease completed in or drilling to the same reservoir. The acreage contained within each unit shall also be shown.

Do not confuse survey lines with lease lines. The sketch or plat should show your entire lease if possible. If it is not practical to show the entire lease and the plat shows only a section, block or lot out of your lease, you should clearly show that same is only a part of the lease.

Designate scale to which plat or sketch is drawn. Also designate northerly direction on the sketch or plat.

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement
9 5/8	32.30	H-40	0	1000'	Circulate	1000 ✓
5 1/2	15.50 17	J-55	0	6000'	4400-6000	300

protect all fresh water zones.

WJM

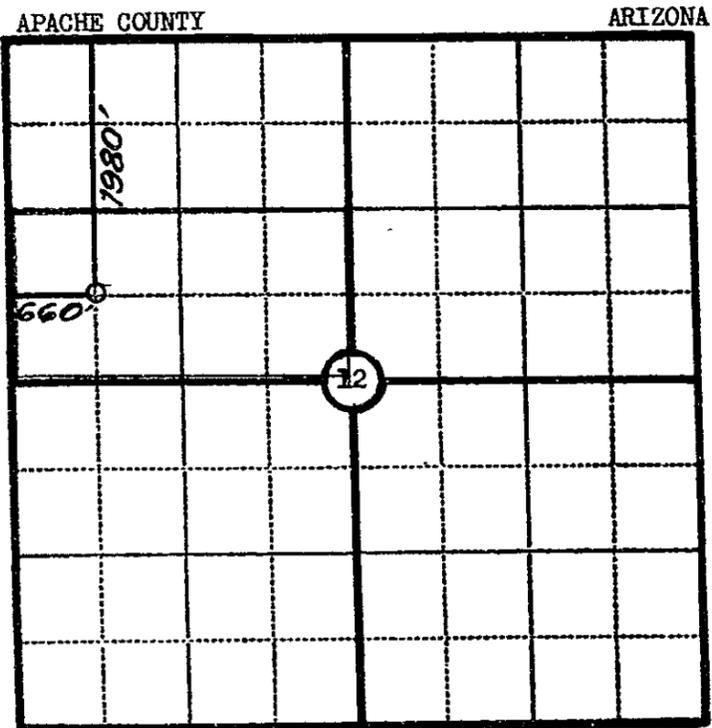
Company TEXAS PACIFIC COAL AND OIL COMPANY

Lease NAVAJO Well No. 2

Sec. 12, T. 40 N., R. 28 E., G. & S. R. M.

Location 1980' FROM THE NORTH LINE AND 660' FROM THE WEST LINE.

Elevation 5967.0 UNGRADED GROUND.



This is to certify that the above plat was prepared from field note of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.



Seal:

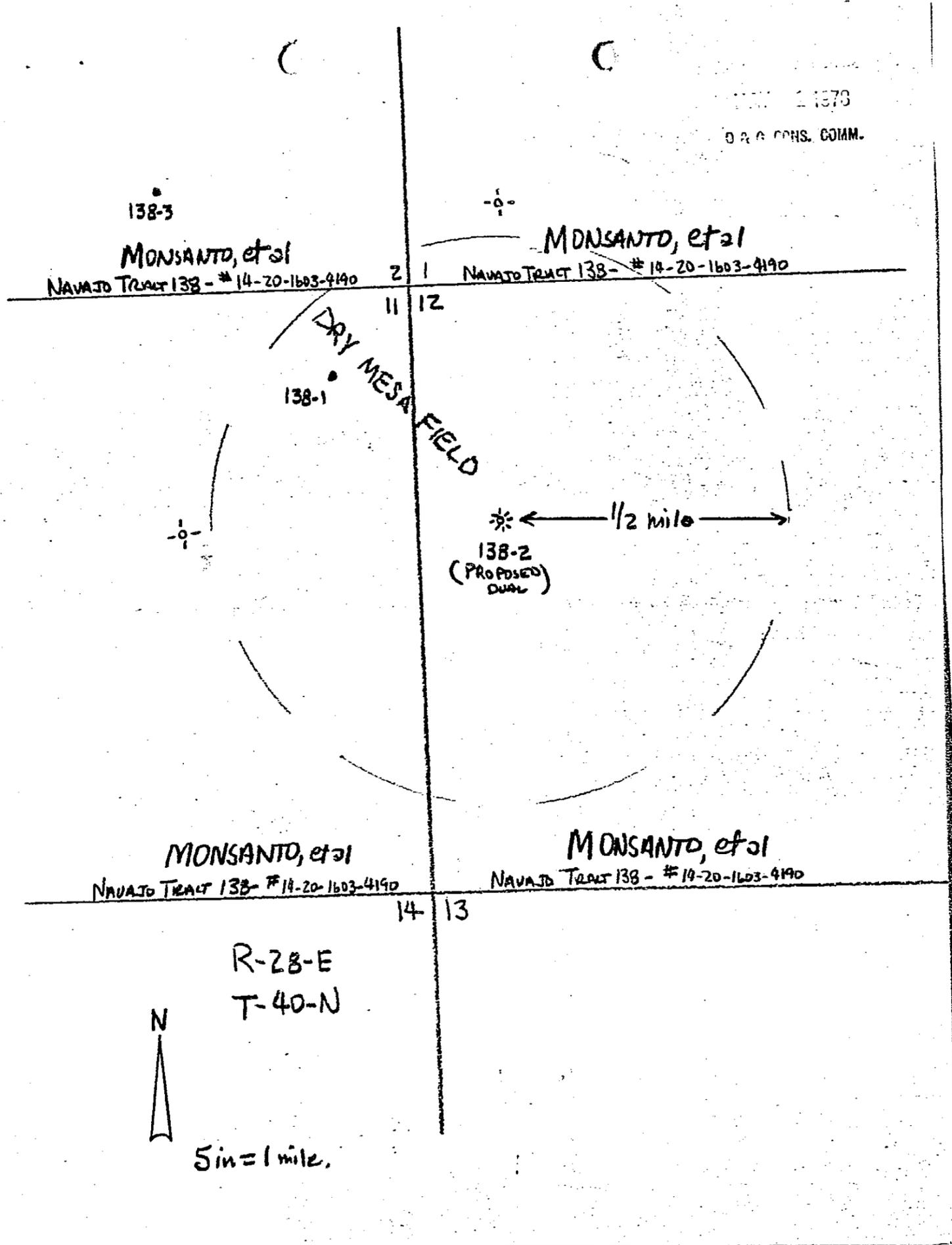
James P. Leese
Registered Land Surveyor.
James P. Leese
Arizona Reg. No. 1849

Surveyed 23 January, 1960

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

106

1973
O & A CONS. COMM.



138-3

MONSANTO, et al

NAVAJO TRACT 138 - #14-20-1603-4190

138-1

MONSANTO, et al

NAVAJO TRACT 138 - #14-20-1603-4190

DRY MESA FIELD

1/2 mile
138-2
(PROPOSED)
DUAL

MONSANTO, et al

NAVAJO TRACT 138 - #14-20-1603-4190

MONSANTO, et al

NAVAJO TRACT 138 - #14-20-1603-4190

R-28-E
T-40-N

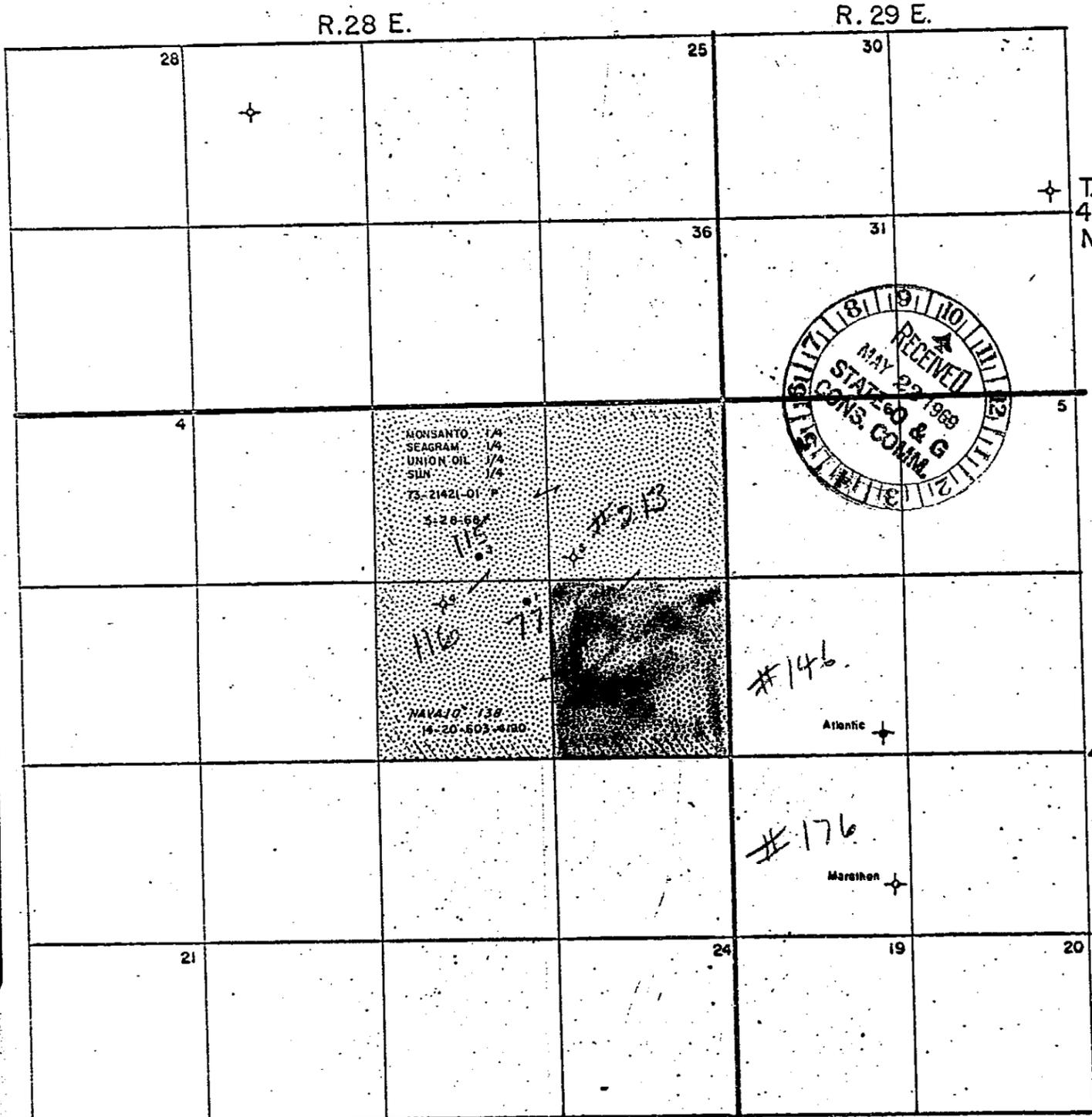


5 in = 1 mile.

Form No. 7XL5.

MONSANTO COMPANY

Region 03 District DENVER
 State ARIZONA
 County APACHE
 Field Dry Mesa
 Date 5-21-69 Scale 1"=4000'



16

106

T
41
N

34 Sinclair Superior Pan American	35 Sinclair Superior Pan American	36 Sinclair Superior Pan American	31 Sinclair Superior Pan American
Navajo	Navajo	Navajo	Navajo
Texasco	T.P.C.&O. Co. - 1/4 Pure Oil Co. - 1/4 Sun Oil Co. - 1/4 Monsanto Chem. - 1/4 Ariq. - 1	T.P.C.&O. Co. - 1/4 Pure Oil Co. - 1/4 Sun Oil Co. - 1/4 Monsanto Chem. - 1/4 Ariq. - 1	Atlantic Ohio
3	2	1	6

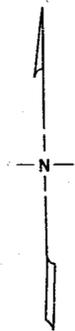
T
40
N

Navajo	Navajo	Navajo	Navajo
Texasco	Unit "A" 180 Ac. T.P.C.&O. Co. - 1/4 Pure Oil Co. - 1/4 Sun Oil Co. - 1/4 Monsanto Chem. - 1/4 Ariq. - 1	Unit "B" 80 Ac. T.P.C.&O. Co. - 1/4 Pure Oil Co. - 1/4 Sun Oil Co. - 1/4 Monsanto Chem. - 1/4 Ariq. - 1	Atlantic Ohio
10	Unit "D" 80 Ac. Unit "E" 80 Ac.	Unit "C" 80 Ac.	7
Navajo	Navajo	Navajo	Navajo
Shell	Texasco	Texasco	Ohio

Navajo	Navajo	Navajo	Navajo
15	Navajo 14	Navajo 13	Navajo 18

R-28-E

R-29-E



NAVAJO, TR. 138
ARIZ. I
APACHE CO., ARIZONA
SCALE: 1" = 2000'

HP PERKINS, INC.
NAVAJO TR. 138
APACHE CO. ARIZ. 12-40N-28E

DRY MESA FIELD

Operator: RIM Southwest Corporation

Bond Company*: Indian lands, evidence of bond posted with BIA

RLI Insurance Co. \$150,000 BIA Nationwide Bond No. RLB0003993

Date of Bond: 11/26/01

Date approved: _____

*** Pursuant to Commission motion of October 31, 1997, no bond is required with State of Arizona upon evidence of bond posted with the BIA.**

Permits covered by this bond posted with the BIA:

Dry Mesa Field 077
 106 ←
 115
 852
 907

Black Rock Field 559
 581
 868
 871
 875
 882

RIM Southwest Corporation

5 Inverness Drive East
Englewood, Colorado 80112
(303) 799-9828 ext. # 303
(303) 799-4259 (fax)

December 3, 2001

Arizona Geological Survey
Mr. Steve Rauzi
416 W. Congress St., Suite 100
Tucson, Arizona 85701

Re: Dry Mesa
Navajo Tribal #138 #2 SW NW sec 12 T40N R28E
Navajo Tribal #138 #3 SW SE sec 2 T40N R28E
Navajo Tribal #138 #6 NE SW sec 2 T40N R28E
Navajo Tribal #138 #10 NW SE sec 12 T40N R28E
Navajo Tribal #138 #1 SWD NE SW sec 11 T40N R28E
Apache CO., Arizona

Dear Mr. Rauzi:

Rim Southwest Corporation has assumed operations of the above wells from Coleman Oil & Gas effective November 1, 2001. The wells are covered by our Navajo Nation, Nation wide bond in the amount of \$150,000. The bond number is RLB3993 and is with AON Underwriters Indemnity. If you have any more questions do not hesitate to call me.

Sincerely,

Ken Kundrik
Ken Kundrik
Operations Engineer



SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Coleman Oil & Gas, Inc.
 2. OIL WELL GAS WELL OTHER (Specify) _____
 3. Well Name See below
 Location See below
 Sec. 1,2,11,12 Twp. 40N Rge. 28E County Apache, Arizona
 4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190
 5. Field or Pool Name Dry Mesa

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	WEEKLY PROGRESS <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) <u>Change of Operator</u>	ABANDONMENT <input checked="" type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

WELLS:

Navajo Tract 138 #10, NW SE Section 12-T40N-R28E
 Navajo Tract 138 #1 SWD, NE NE Section 11-T40N-R28E
 ✓ Navajo Tract 138 #02, SW NW Section 12-T40N-R28E
 Navajo Tract 138 #03, SW SE Section 2-T40N-R28E
 Navajo Tract 138 #06, NE SW Section 2-T40N-R28E

Effective August 1, 2001, Coleman Oil & Gas, Inc. sold all of it's interest in the above lease and all of the wells on the lease with equipment to:

RIM Southwest Corporation
 5 Inverness Drive East
 Englewood, Colorado 80112
 Phone: (303) 799-9828

RIM Southwest Corporation will become operator of these wells effective November 1, 2001.

8. I hereby certify that the foregoing is true and correct.

Signed Kenneth J. Kuldrik Title Operations Engineer Date 11/7/01
 Kenneth J. Kuldrik

Permit No. 106

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
 Sundry Notice and Reports On Wells
 File One Copy
 Form No. 25

P.O. DRAWER 3337
FARMINGTON, NM 87499

OFFICE: 505-327-0356
FAX: 505-327-9425



COLEMAN OIL & GAS, INC.

Bryan Lewis
e-mail: cogblewis@yahoo.com

Wednesday, November 07, 2001

Mr. Steven L. Rauzi
Arizona Oil & Gas Conservation Commission
416 West Congress Suite 100
Tuscon, AZ 85701

RE: Dry Mesa Wells

Dear Mr. Rauzi:

Enclosed is one signed original Sundry Notice relating to the change of ownership and operator on the Dry Mesa wells in Apache County. Please call with any questions or additional requirements.

Sincerely,

Bryan Lewis
Landman

file 106

SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Coleman Oil & Gas, Inc.

2. OIL WELL GAS WELL OTHER (Specify) _____

3. Well Name See below

Location See below

Sec. 1,2,11,12 Twp. 40 North Rge. 28 East County Apache, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 14-20-603-4190

5. Field or Pool Name _____

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	WEEKLY PROGRESS <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) <u>Change of Operator</u> <input checked="" type="checkbox"/>	ABANDONMENT <input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

WELLS: including

- Navajo Tract 138 # 10
- Navajo Tract 138 # 10 SWD
- ✓ Navajo Tract 138 # 02
- Navajo Tract 138 # 03
- Navajo Tract 138 # 06

Effective 08/01/01 Coleman Oil & Gas, Inc. sold all of its interest in the aforementioned lease and all of the wells on the lease to:

RIM Southwest Corporation
 5 Inverness Drive East
 Englewood, CO 80112
 Phone: (303) 799-9828 Fax: (303) 799-4259

RIM Southwest Corporation will become operator of these wells as of 11/01/01.

8. I hereby certify that the foregoing is true and correct.

Signed [Signature] Title Vice President Date November 06, 2001
G. Chris Coleman

Permit No. 106

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
 Sundry Notice and Reports On Wells
 Form No. 25 File One Copy

5/96

ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual **COLEMAN OIL & GAS, INC.**

Mailing Address and Phone Number
P O DRAWER 3337, FARMINGTON, NM 87499 (505) 327-0356

Plan of Organization (State whether organization is a corporation joint stock association, firm or partnership, or individual)
CORPORATION

Purpose of Organization (State type of business in which engaged)
OIL & GAS EXPLORATION & PRODUCTION

If a reorganization, give name and address of previous organization

If a foreign corporation give (1) State where incorporated	(2) Name and mailing address of state agent	(3) Date of permit to do business in state
NEW MEXICO	CT CORPORATION SYSTEM 3225 N CENTRAL AVE, PHOENIX, AZ	SEPTEMBER 26, 1997
Principal Officers or Partners (if partnership) NAME	TITLE	MAILING ADDRESS
GEORGE E. COLEMAN	85012 PRESIDENT/ SECRETARY	1800 McDONALD ROAD FARMINGTON, NM 87401
G. CHRIS COLEMAN	VICE-PRESIDENT/ TREASURER	1909 CHILTON CT FARMINGTON, NM 87401
JAMES C. ANDERSON	VICE-PRESIDENT	2585 S. ST PAUL DENVER, CO 80210

DIRECTORS NAME	MAILING ADDRESS
GEORGE E. COLEMAN	1800 McDONALD ROAD, FARMINGTON, NM 87401
G. CHRIS COLEMAN	1909 CHILTON CT, FARMINGTON, NM 87401
BARBARA M. COLEMAN	1800 McDONALD ROAD, FARMINGTON, NM 87401

CERTIFICATE I, the undersigned, under the penalty of perjury state that I am the **VICE-PRESIDENT** of the **COLEMAN OIL & GAS, INC.** (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.

[Signature]

Signature

7-11-01

Date

STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION

Organization Report
 File One Copy

Form No. 1

Mail completed form to
 Oil and Gas Program Administrator
 Arizona Geological Survey
 416 W Congress., #100
 Tucson, AZ 85701

P.O. DRAWER 3337
FARMINGTON, NM 87499

OFFICE: 505-327-0356
FAX: 505-327-9425



COLEMAN OIL & GAS, INC.

VIA US MAIL

August 15, 2000

United States Environmental Protection Agency
1235 LaPlata Hwy. Suite A
Farmington, NM 87401

2/14/106

Re: Class IID Injection Well
Navajo Tract #138
Dry Mesa Field
US EPA Permit No. NAS900000002

Dear Mr. Walker:

Attached are the wellbore schematics that you had requested for the Navajo Tract #138 Dry Mesa #2, #3, #5, #6 and #10 wells. These wells are active producing wells within the Dry Mesa Field Excluding the Dry Mesa #5, which was plugged and abandoned.

Also attached is a water analysis for each of the producers as well as a composite sample of all the wells.

If you have any questions or need any additional information please do not hesitate to contact Chris Coleman or myself at 505/327-0356.

Thank you very much.

Sincerely,

Coleman Oil & Gas

Michael T. Hanson

cc:
USA EPA Region IX, San Francisco, CA
BLM, Farmington NM
/ Oil and Gas Conservation Commission, Tucson AZ





WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

7415 East Main
Farmington, New Mexico 87402
(505) 327-4892

November 6, 1997

FAX 520 770-3505

TO: Steve Rauzi

FROM: Ruth Rogge

As per your conversation with Chris Coleman, enclosed please find an approved Designation of Operator and also a copy of approved Letter of Credit Bond No. 564 for Coleman/Thompson.

I am also enclosing a copy of letter received from Mr. Clint W. Smith concerning bonding on this lease. I will send you copies of the above in the mail today.

If you need anything else, please give me a call.

rr



P/N 106

08/17/97 11:22 FAX 505 327 4862

COLEMAN OIL GAS

002

March 1988

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

(Submit in triplicate to appropriate
BIA office)

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Indian Affairs, holder of lease

AREA OFFICE:
LEASE NO: 14-20-603-4190

and hereby designates

NAME: Thompson Engineering & Production Corporation

ADDRESS: 7415 East Main Farmington, N.M. 87402-5180



as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the authorized officer may serve written or oral instructions in securing compliance with the Operating Regulations (43 CFR 3160 and 25 CFR 211 and 212) with respect to (describe acreage to which this designation is applicable):

T40N, R28 E; G&SRM
Section 1, 2 -ALL (Fractional)
Section 11 and 12-ALL
2365.09 Acres, Surveyed, Apache County, Arizona

Bond coverage under 25 CFR 211, 212 or 225 for lease activities conducted by the above named designated operator is under Bond Number Letter Of Credit #564 (attach copy). Evidence of bonding is required prior to the commencement of operations.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, stipulations, or orders of the Secretary of the Interior or his representative.

Attach all appropriate documentation relevant to this document.

The lessee agrees promptly to notify the authorized officer of any change in the designated operator.

George E. Coleman
(Signature of lessee)
George E. Coleman, President

Coleman Oil & Gas, Inc. P.O. Drawer 3337 Farmington, N.M.
(Address) 87499

July 1, 1997

APPROVED, PURSUANT TO SECRETARY'S DELEGATION ORDER 209 DE, & SECRETARY'S ORDER NOS. 3150 AND 3177, AND 18 BLM BULLETIN 13, AS AMENDED.

Herne Anderson
APPROVED BY ACTING DIRECTOR TITLE

9/12/97
(Date)

09/17/97 11:22 FAX 327 4962

COLEMAN OIL GAS

001



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
NAVAJO AREA OFFICE

P. O. Box 1060
Gallup, New Mexico 87305

IN REPLY
REFER TO:

ARES/543

SEP 12 1997

*Dry Man
File.*

Mr. Chris Coleman
Coleman Oil and Gas, Inc.
P. O. Box Drawer 3337
Farmington, New Mexico 87499-3337

Dear Mr. Coleman:

Enclosed for your information and use is an approved original copy of Designation of Operator between Coleman Oil & Gas, Inc., and Thompson Engineering & Production Corporation on Navajo Tribal Oil and Gas Lease No. 14-20-603-4190.

Please note that all other concerned parties will be furnished their approved copy of the Designation of Operator for their use.

Sincerely,

Dale Underwood

Acting Area Realty Officer

Enclosure





United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
NAVAJO AREA OFFICE

P. O. Box 1060
Gallup, New Mexico 87305-1060

IN REPLY
REFER TO:

ARES/543

AUG 22 1997

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Chris Coleman
Coleman Oil and Gas, Inc.
P. O. Drawer 3337
Farmington, New Mexico 87499-3337

Dear Mr. Coleman:

Enclosed for your information and file is a copy of the approved Letter of Credit Bond No. 564 for the amount of \$75,000 for lease No. 14-20-603-4190. The original copy will be on file in our office.

If you have any further questions, you may contact Ms. Bertha Spencer, Realty Specialist, at (520) 871-5938.

Sincerely,

Dale Underwood

Acting Area Realty Officer

Enclosure





First National Bank of Farmington
Charter Member FDIC

RECEIVED

AUG 7 1997

NAVAJO AREA OFFICE
BRANCH OF REAL ESTATE SERVICES

RECEIVED

JUL 14 1997

NAVAJO AREA OFFICE
BRANCH OF REAL ESTATE SERVICES

June 30, 1997

REGISTERED
AUG 10 1997
NAVAJO AREA OFFICE
REAL ESTATE SERVICES

IRREVOCABLE LETTER OF CREDIT

First National Bank of Farmington
P.O. Box 4540
Farmington, NM 87499-4540

Letter of Credit No. 564

Amount: U.S. \$75,000.00

Beneficiary:
Bureau of Indian Affairs
Navajo Area Office
P.O. Box 1060
Gallup, NM 87305-1060

Applicant:
Coleman Oil and Gas, Inc.
Thompson Engineering & Production Corp.
P.O. Drawer 3337
Farmington, NM 87499-3337

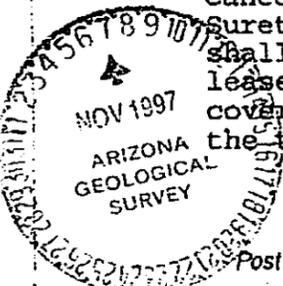
Date of Issue:
6/30/97

Expiration Date: Written Approval of BIA

Gentlemen:

First National Bank of Farmington ("Surety") hereby issues our Irrevocable Letter of Credit No. 564 in favor of the Bureau of Indian Affairs, Navajo Area Office, hereinafter referred to as Beneficiary for the account of Coleman Oil & Gas, Inc. ("Principal") for the sum of up to, but not exceeding, Seventy-Five Thousand and No/100 U.S. Dollars (\$75,000.00) available by your draft. This Irrevocable Letter of Credit is a guarantee that the operator/lessee/assignee/permittee shall well and truly perform and fulfill all the undertakings, covenants, terms, and conditions of said agreement and the applicable federal regulations (25 CFR, 30 CFR and 43 CFR). The draft will be made available upon written certification from the Area Director, Navajo Area, stating that such amounts are due and payable. Each sight draft so drawn and presented shall be honored by us if presented. This Letter of Credit refers to x oil and gas x activities on the entire: Navajo Lease Allotment No: BIA 14-20-603-4190.

It is the express condition of this Letter of Credit that it shall be in effect until the Area Director, Navajo Area, in writing, cancels said Letter of Credit upon request of the Principal or Surety. The Principal and Surety agree that the Letter of Credit shall extend to and include all extensions and renewals of the lease/permit/agreement covered by this Letter of Credit, such coverage to continue without interruption due to the expiration of the term set forth therein.



Sharing the Hometown Spirit

Post Office Box 4540 • Farmington, New Mexico 87499-4540 • (505)326-9000 • TDD(TYY) 326-9035



Coleman Oil & Gas, Inc.
Letter of Credit No. 564
June 30, 1997
Page 2

The Surety hereby waives any right to notice of any modification of any lease/permit/agreement, or obligation thereunder whether effected by extension of time for performance, by commitment of such lease to unit, cooperative, or communitization agreement, by waiver, suspension, or change in rental, by minimum royalty payment, by compensatory royalty payment, or otherwise, and this Letter of Credit is to remain in full force and effect notwithstanding.

The Principal and Surety agree that the neglect or forbearance of any obligee under this Letter of credit in enforcing the payment of any obligations or the performance of any other covenant, condition, or agreement of any such lease/permit/agreement shall not in any way release the Principal and Surety, or either of them, from any liability under this Letter of Credit.

The original signed Letter of Credit will be presented to the Surety by the Bureau of Indian Affairs along with any draft presented pursuant to this Letter of Credit, and will be surrendered to the Surety with any draft which draws the full amount, or the balance remaining available, under the Letter of Credit.

PROVIDED, that in the event supervision over all the tracts to which this bond applies is relinquished by the Secretary of the Interior and the lessee/permittee/assignee/operator/contractor shall have made all payments then due under the agreement and shall have fully performed all obligations on their part to be performed up to the time of relinquishment of supervision, the liability of this bond shall be of no further force and effect.



Coleman Oil & Gas, Inc.
Letter of Credit No. 564
June 30, 1997
Page 3

IN PRESENCE OF:

Corporate Principal:

Coleman Oil & Gas, Inc.
P.O. Drawer 3337
Farmington, NM 87499-3337

Attest: Jeff E. Cohen

By: G. Chris Coleman
G. Chris Coleman

Title: Vice President

Thompson Engineering & Production Corp.
204 North Auburn
Farmington, NM 87401

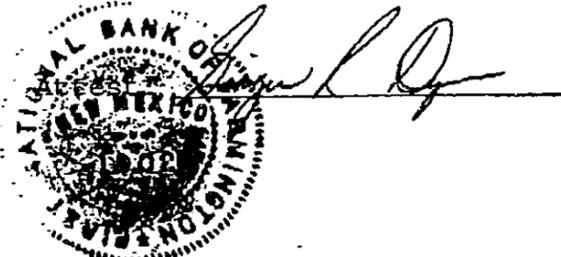
Attest: Paul C. Thompson

By: Paul C. Thompson
Paul C. Thompson

Title: President

Issuing Agent:

First National Bank of Farmington
P.O. Box 4540
Farmington, NM 87499-4540



By: Dennis E. Peterson
Dennis E. Peterson

Title: Executive Vice President

DEPARTMENT OF THE INTERIOR
Bureau of Indian Affairs

August 21, 1997

APPROVED: Pursuant to Secretarial
Redelegation Order 209 DMB,
Secretary's Order ~~XXXXXXXXXX~~
~~XXXXXXXXXX~~ Nos. 3150 and
3177, and 10 BIAM Bulletin Area Director
13, as Amended. Genni Denetsov
ACTING

Sharing the Hometown Spirit

NOV. 06 '97 (120) 10:05



August 1, 1997

United States Department of the Interior
Bureau of Indian Affairs
PO Box 1060
Gallup, NM 87305-1060

Attention: Acting Area Director

Dear Sir:

On March 19, 1997, the Board of Directors of First National Bank of Farmington duly elected Dennis Peterson as Executive Vice President of First National Bank and thereby conveyed authority to Mr. Peterson to act on behalf of the Bank.

Mr. Peterson is indeed authorized to sign the Irrevocable Letter of Credit in question for Coleman Oil & Gas, Inc. on behalf of First National Bank of Farmington.

If you have further questions you may contact me at 505-324-9548.

Sincerely,

Ginger R. Dye
Executive Secretary to the Board of Directors

RECEIVED
AUG 02 1997
NAVAJO AREA OFFICE
BRANCH OF REAL ESTATE SERVICES



RECEIVED

AUG 7 1997

NAVAJO AREA OFFICE
BRANCH OF REAL ESTATE SERVICES

CWS
Clint W. Smith, P.C.

931 E. Southern Ave., #212
Mesa, Arizona 85204
(602) 892-9300
(602) 545-9252 (Fax)

November 4, 1997

Mr. Chris Coleman
Coleman Oil & Gas
P.O. Drawer 3337
Farmington, NM 87499

Re: Dry Mesa Corporation

Dear Chris:

It has come to our attention that your company has not yet posted the required bonds with the Arizona Oil and Gas Commission. Accordingly, we have not been able to recover our bond there. As you know, your cooperation is required, pursuant to the court's order, "to ensure that transfer documents are lodged with the appropriate governmental agencies," so that we may recover our cash bond.

Please take immediate action to obtain a bond with the State of Arizona so that we may recover our bond. If I have not heard from you within ten days, we will be forced to initiate litigation to enforce our rights. I will look forward to hearing from you.

Very truly yours,


Clint W. Smith



OIL AND GAS CONSERVATION COMMISSION

From the Meeting of October 31, 1997

COMMISSION POLICY ON PUBLIC AND INDIAN LAND

Mr. Rauzi reported that the Commission holds bonds for companies drilling on public and Indian lands even though companies drilling on public land are required to post a bond with the federal government and companies drilling on Indian land are required to post a bond with the BIA. He reported that the bonds held by the Commission are duplicate bonds.

Mr. Lanshe moved, seconded by Dr. Clay:

**THAT THE ADMINISTRATOR RELEASE DUPLICATE BONDS IF EVIDENCE OF
BONDS HELD WITH THE FEDERAL GOVERNMENT OR BIA IS OBTAINED**

Motion carried unanimously.

ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual
THOMPSON ENGINEERING & PRODUCTION CORP.

Mailing Address and Phone Number
7415 E. Main Farmington, New Mexico 87402 505 327-4892

Plan of Organization (State whether organization is a corporation, joint stock association, firm or partnership, or individual)
Corporation

Purpose of Organization (State type of business in which engaged)
Oil & Gas

If a reorganization, give name and address of previous organization

If a foreign corporation, give (1) State where incorporated	(2) Name and mailing address of state agent	(3) Date of permit to do business in state
Principal Officers or Partners (if partnership) NAME	TITLE	MAILING ADDRESS
Paul C. Thompson	President	7415 E. Main Farmington, New Mexico 87402
Leslie W. Thompson	Vice President	7415 E. Main Farmington, New Mexico 87402

DIRECTORS NAME	MAILING ADDRESS

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the President of the THOMPSON ENGR. & PROD. CORP. (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.

Paul C. Thompson
 Signature

8/29/97
 Date



Mail completed form to:
 Oil and Gas Program Administrator
 Arizona Geological Survey
 416 W. Congress, #103
 Tucson, AZ 85701

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
 Organization Report
 File One Copy
 Form No. 1

- 106 -

**OPERATOR'S CERTIFICATE OF COMPLIANCE AND AUTHORIZATION
TO TRANSPORT OIL OR GAS FROM LEASE**

Federal, State, or Indian Lease Number, or lessor's name if fee lease	Field Dry Mesa Field	Reservoir ^{gas} Pennsylvanian Leadville & Mississippian Leadville
Survey or Sec-Twp-Rge 11, 1, 12, 2, -T40N-R28E	County Apache	State Arizona ^{oil}
Operator THOMPSON ENGR. & PROD. CORP.		
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:		
Street 7415 E. Main	City Farmington	State New Mexico 87402
Above named operator authorizes (name of transporter) Giant Refining Company		
Transporter's street address 23733 Scottsdale Rd.	City Scottsdale	State AZ 85255
Field Address		
Oil, condensate, gas well gas, casinghead gas		
To transport	100	% of the oil from said lease
OTHER GATHERERS TRANSPORTING FROM THIS LEASE ARE AS FOLLOWS:		
Name of gatherer Western Gas Resources	% transported 100	Product transported Gas
Indicate whether or not this certificate is for a new lease. If not a new lease, indicate whether or not it is a change of operator, change of lease name, change of gatherer, or a consolidation or subdivision of leases and give effective date of change. Change in Operator from Dry Mesa Corporation 15 Willowbrook Wichita, Kansas 67207		

The undersigned certifies that the rules and regulations of the State of Arizona Oil & Gas Conservation Commission have been complied with in drilling and producing operations on this lease, except as noted above, and that the above transporter is authorized to transport the above specified percentage of the allowable oil or gas produced from the above described property, and that this authorization will be valid until further notice or until cancelled by the State of Arizona Oil & Gas Conservation Commission.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the President of the THOMPSON ENGR. & PROD. CORP. (company), and that I am authorized by said company to make this report; 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.

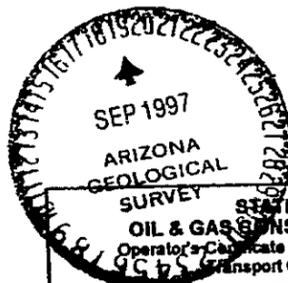
Date 8/29/97

Paul C. Thompson
Signature Paul C. Thompson

Date approved: 9-19-97

By: SL Rainey
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

Permit No. 106, 115, 213, 852



Mail two copies of completed form to:
Oil & Gas Program Administrator
Arizona Geological Survey
415 W. Congress #100
Tucson AZ 85701-1315

Form No. 8

DRY MESA CORPORATION

15 Willowbrook
Wichita, Kansas 67207
(316) 684-0420

July 22, 1997

Steve Rauzi
Oil and Gas Program Administrator
Arizona Geological Survey
~~845 North Park, #100~~ 416 W. Congress # 100
Tucson, Arizona 85719
85701

file 106

Notice of Sale and Request for Termination of Bond Liability

Effective July 1, 1997, Dry Mesa Corporation (DMC) did sell to Coleman Oil & Gas all of DMC's interests, responsibilities, and operations in Dry Mesa Field located on Navajo lease #14-20-603-4190 which includes all of Sections 1, 2, 11, and 12, T40N - R28E, Apache county, Arizona. Coleman Oil & Gas will assume operations of the field effective July 1, 1997 and will be the Operator of Record.

Included in this sale are the wells named below and all surface facilities and production equipment located on this lease.

Well #1 API #02-001-05159 SWD Well
NE/4 NE/4 Sec 11, T40N - R28E, Apache County, Arizona

106
Well #2 API #02-001-05303 Gas Well
SW/4 NW/4 Sec 12, T40N - R28E, Apache County, Arizona

Well #3 API #02-001-05305 Gas Well
SW/4 SE/4 Sec 2, T40N - R28E, Apache County, Arizona

Well #5 API #02-001-05160 Gas Well
SW/4 SW/4 Sec 1, T40N - R28E, Apache County, Arizona

Well #6 API #02-001-20283 Oil Well
NE/4 NW/4 Sec 2, T40N - R28E, Apache County, Arizona

Upon written conformation of this sale and acceptance of financial responsibility (posting of bond) for the above named wells by Coleman Oil & Gas, DMC requests that all liabilities and obligations that DMC may have under it's existing Arizona Producers Bond concerning these wells be terminated.

Sincerely,

Bob Hand
Bob Hand
Dry Mesa Corporation



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

July 10, 1997

Mr. Paul Thompson
Thompson Engineering & Production
7415 E. Main
Farmington, New Mexico 87402

106

Dear Mr. Thompson:

Mr. Alan Emmendorfer has informed me that Thompson Engineering & Production will be operating the Dry Mesa Field, Arizona, on behalf of Coleman Oil & Gas. Welcome to Arizona.

To facilitate the transfer, I am enclosing some of our forms (with references to pertinent rules) that you should complete and file with this office as soon as possible. These include:

- (1) Organization report (A.A.C. R12-7-194),
- (2) Designation of operator (A.A.C. R12-7-101(11)),
- (3) Operator's certificate of compliance and authorization to transport oil or gas from lease (A.A.C. R12-7-183),
- (4) Performance bond or alternative assignment (A.A.C. R12-7-103),
- (5) Monthly producer's report (A.A.C. R12-7-161), and
- (6) a few Sundry notices.

Legible copies of these forms are acceptable.

Let me know if we may be of assistance or answer any questions.

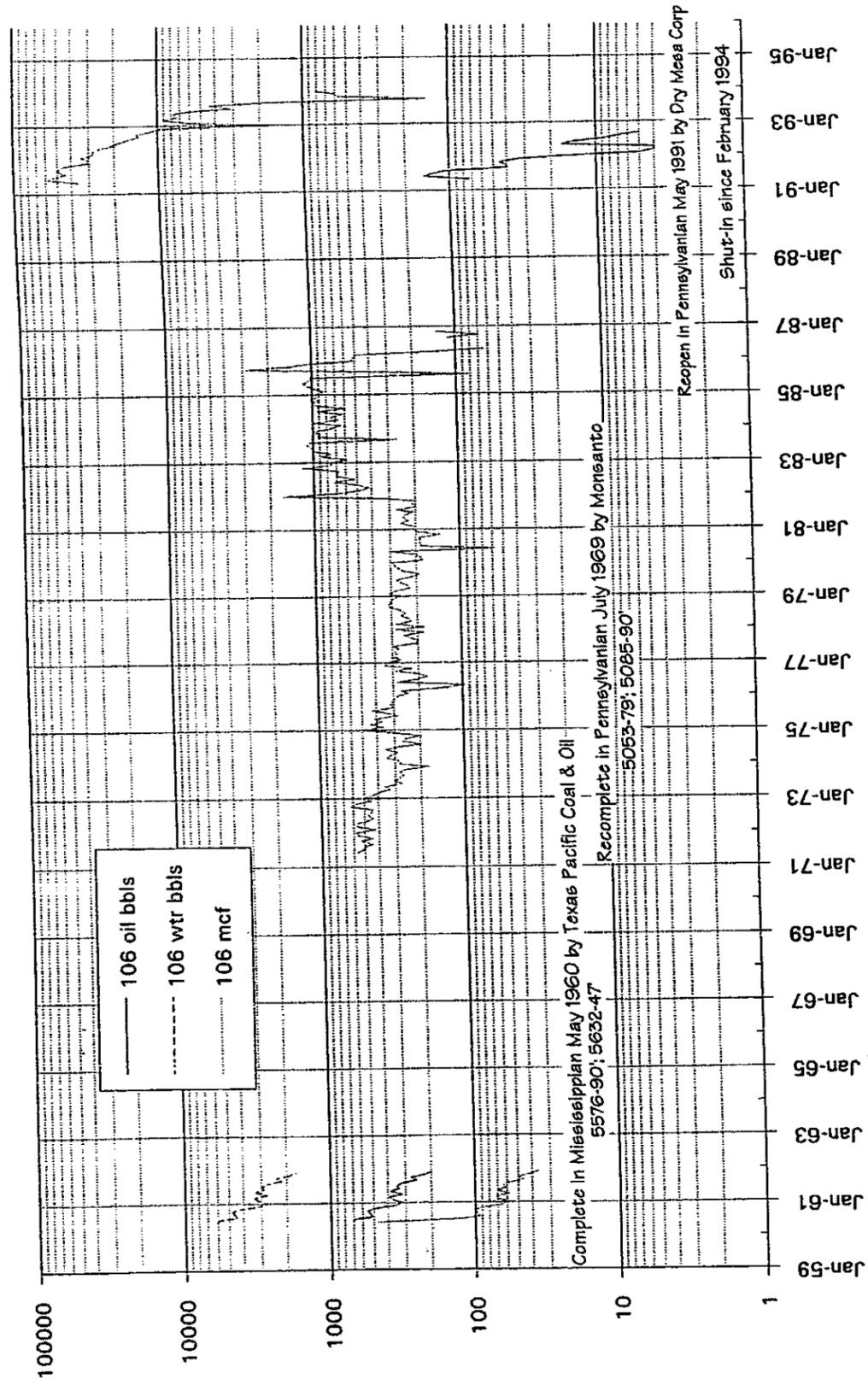
Sincerely,

Steven L. Rauzi
Oil & Gas Program Administrator

Enclosures

MONTHLY PRODUCTION AT 2 NAVAJO-138 (106), ARIZONA: JUN 1960 - JAN 1994

sw nw 12-40n-28e, Dry Mesa Field, Apache County





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO:
14-20-603-4190 (WC)
3162.3-2 (7300)

Dry Mesa Corp.
Attn: Mr. Ken Hand
No. 15 Willow Brook
Wichita, KS 67207

FEB 13 1996

file 106



Dear Mr. Hand:

Our records indicate that you are the operator of the following wells located in T. 40 N., R. 28 E., Apache County, Arizona, Lease 14-20-603-4190:

- 1) No. 2 Tract 138, 1980' FNL & 660' FWL, Sec. 12. Date of last production January 1994.
- 2) No. 3 Tract 138, 760' FSL & 2035' FEL, Sec. 2. Date of last production May 1992.

Title 43 CFR Section 3162.3-4 requires that the lessee shall promptly plug and abandon, condition as a service well, or condition as a water well, any well on a lease that is not used or useful for the purpose of the lease. Accordingly, you are required to advise this office by Sundry Notice within 30 calendar days of your intent to perform one of the following:

1. Condition the well to a useful function.
2. Temporarily abandon the well.
3. Continued shut-in status.
4. Permanently plug and abandon the well.

The Bureau of Land Management's Definition of a shut-in well is a completion that is **physically and mechanically capable of production in paying quantities** or capable of service use. The definition of a temporarily abandoned well is a completion that is **not capable of production in paying quantities** but which may have value as a service completion.

See attached General Requirements for Non-Producing wells on Federal leases.

The 30 calendar days commences upon receipt of this letter or seven days from the date it is mailed, whichever is less. Failure to comply within the 30 calendar days will result in strict enforcement of 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such requests, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87504-0115. Such request shall not result in a suspension of the orders unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions, please contact Stephen Mason with this office at (505) 599-6364.

Sincerely,



Ken Townsend
Senior Technical Advisor
Petroleum Management Team

cc:
BIA, Gallup, NM
NNMD, Window Rock, AZ



Effective January 1, 1995

General Requirements for Non-Producing Wells
On Federal Oil and Gas Leases

file 106

I. TEMPORARY ABANDONMENT: A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4(c), no well may be temporarily abandoned for more than 30 days without the prior approval of the Authorized Officer. When justified by the operator, the Authorized Officer may authorize additional delays, no one of which may exceed an additional 12 months.

A. Any temporary abandonment request must be submitted on a Sundry Notice (Form 3160-5) and include the following:

1. Justification why the well should be temporarily abandoned rather than permanently plugged and abandoned.
2. Description of the temporary abandonment procedure.
3. A complete wellbore diagram shown as temporarily abandoned.
4. The anticipated date the operations will occur. Mike Flaniken, Supervisory, Oil and Gas Inspector, **MUST BE NOTIFIED A MINIMUM OF 48 HOURS PRIOR TO COMMENCING ANY ABANDONMENT SO THAT THE OPERATIONS MAY BE WITNESSED.** (505/599-8907)

B. The following terms and conditions will apply to all wells approved for temporary abandonment:

1. The temporary abandonment method must provide for the installation of an isolation device (such as a retainer or bridge plug) within 50' to 100' of the top perforation or a cement plug that extends at least 50 feet above each set of open perforations. Unless prior approval is granted by the Authorized Officer, the well bore must be filled with conditioned, non-corrosive fluid and shut-in at the surface. If a cement plug is used, the top of the cement must be verified by tagging. If the wellbore had more than one producing horizon, the lower set(s) of perforations or open hole must meet the requirements for permanent plug to abandonment, unless justification is provided by the operator not to do so.

2. A test demonstrating casing mechanical integrity is required. An approved method is a pressure test of the casing and uppermost plug. The pressure test conducted shall be a minimum of 500 psi surface pressure with less than 10 percent pressure drop within thirty (30) minutes. In no event shall the pressure test required exceed seventy (70) percent of the internal yield of the casing. In the case of a plug or casing failure, the operator shall either correct the problem or plan to plug and abandon the well. Alternative methods demonstrating casing mechanical integrity may be approved by the Authorized Officer on a case-by-case basis.

3. A bradenhead test will be conducted. If the test indicates a problem exists, a remedial plan and a time frame for remediation will be submitted within ninety (90) days from the date of the test.

C. A subsequent report Sundry Notice (Form 3160-5) is required to be submitted within thirty (30) days upon the completion of the work.

D. Approval will be granted for one (1) year and renewed annually, upon receipt of a proper request. All temporarily abandoned wells are required to demonstrate casing mechanical integrity every five (5) years, unless the Authorized Officer determines, on a case-by-case basis, more frequent testing is required.



II. SHUT-IN WELL: A shut-in well is defined as a completion that is physically and mechanically capable of production in paying quantities or capable of service use. No well may be shut-in for more than one (1) year without prior approval from the Authorized Officer. Any well with a known or suspected casing leak is to be repaired immediately.

A. Any request for continued shut-in status must be submitted on a Sundry Notice (Form 3160-5) and include the following:

1. Justification why the well should be shut-in rather than activated as a producer or a service well.

2. The anticipated date(s) that casing mechanical integrity and/or production testing will occur. Mike Flaniken, Supervisory, Oil and Gas Inspector, MUST BE NOTIFIED A MINIMUM OF 48 HOURS PRIOR TO COMMENCING ANY TESTING SO THAT THE TEST(S) MAY BE WITNESSED. (505/599-8907)

B. The following terms and conditions will apply to all wells approved for continued shut-in:

1. Approved shut-in wells are to demonstrate casing mechanical integrity initially and thereafter every five (5) years. An approved method is to pressure test. The test pressure shall be a minimum of 500 psi surface pressure with less than 10 percent pressure drop within 30 minutes. In no event shall the pressure test required exceed seventy (70) percent of the internal yield of the casing. If the casing fails, it is required that the casing be repaired or the well plugged and abandoned. Alternative methods demonstrating casing mechanical integrity may be approved by the Authorized Officer on a case-by-case basis.

2. Approval for shut-in is also contingent upon conducting a production verification test. A production test will be conducted for a period of 24 hours. Depending on the circumstances, the Authorized Officer may require a longer test period, or may approve a shorter test period, to demonstrate the well's ability to produce in paying quantities. Supporting documents will be submitted with the request. Recent production history demonstrating production capabilities may be accepted in lieu of conducting the test.

3. A bradenhead test will be conducted and if the test indicates a problem exists, a remedial plan and a time frame for remediation will be submitted within ninety (90) days of the test.

4. Close all valves on the wellhead. All disconnected lines shall have bull plugs installed.

5. For oil wells with pump jacks, the operator will be allowed to leave the pump and rods in the hole and close all valves at the surface. The operator must request approval to remove the pumping unit before it is removed.

C. A subsequent report Sundry Notice (Form 3160-5) is required to be submitted within thirty (30) days upon the completion of the work.

D. Shut-In approval will be granted for a one (1) year period. A period of up to five (5) years may be granted by the Authorized Officer, with justification.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders, or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

14-20-603-4190 (GC)
3163.1 (07347)

MAY 13 1994

CERTIFIED--RETURN RECEIPT REQUESTED
P 866 760 517

Mr. Ken Hand
Dry Mesa Corporation
No. 15 Willow Brook
Wichita, Kansas 67207

Dear Mr. Hand:

On May 12, 1994, a joint inspection was performed by representatives from the Bureau of Indian Affairs (Navajo Area Office), Navajo Nation Minerals Department, Bureau of Land Management and Dry Mesa Corporation on Navajo Tribal Lease 14-20-603-4190. It was determined and agreed to by all parties that Dry Mesa Corporation has satisfied the stipulations of "Notice to Shut Down Operations" (No. NM07094BS001) issued October 15, 1993, by the Bureau of Land Management.

Dry Mesa Corporation is hereby notified that the Notice to Shut Down Operations is lifted and may resume operation of Navajo Tribal Lease 14-20-603-4190.

If you have any questions, please contact Mike Flaniken with this office at (505) 599-6381.

Sincerely,

/s/ John L. Keller

John L. Keller
Assistant District Manager
Division of Mineral Resources

cc:

Mr. Akhtar Zaman
The Navajo Nation
Minerals Department
P. O. Box 146
Window Rock, AZ 86515

Bureau of Indian Affairs
Navajo Area Office
P. O. Box 1060
Gallup, NM 87305-1060

Mr. James Miles
Indian Minerals Office
1400 La Plata Highway
Farmington, NM 87401

AZ OIL & GAS
CONSERVATION COMMISSION

JUN 10 1994

77
106
115
213
852



Fife Symington
Governor

State of Arizona
Arizona Geological Survey

845 North Park Avenue, #100
Tucson, Arizona 85719
(602) 882-4795



Larry D. Fellows
Director and State Geologist

March 8, 1994

Mr. Kenneth R. Hand
Dry Mesa Corporation
15 Willowbrook
Wichita, KS 67207

Dear Mr. Hand:

According to our records, Dry Mesa Corporation posted a \$25,000 state-wide performance bond on November 24, 1989, to cover its operations in the State of Arizona. Dry Mesa Corporation, therefore, meets the current bonding requirements of the Arizona Oil and Gas Conservation Commission to operate its existing, permitted oil and gas wells in Arizona.

Our records further indicate that Dry Mesa Corporation's bond currently covers six active permits at the Navajo-O (BIA 14-20-603-716) lease and five active permits at the Navajo-138 (BIA 14-20-603-4190) lease.

Please let me know if I can be of further assistance.

Sincerely,

Steven L. Rauzi
Oil & Gas Program Administrator

c Dennis Peterson, First National Bank, Farmington, NM



Fife Symington
Governor

State of Arizona
Arizona Geological Survey

845 North Park Avenue, #100
Tucson, Arizona 85719
(602) 882-4795



Larry D. Fellows
Director and State Geologist

June 29, 1993

106

Mr. Ken Hand
Dry Mesa Corporation
15 Willowbrook
Wichita, KS 67207

Re: Sale and designation of operator at Dry Mesa Field (Navajo tract 138)

Dear Ken:

I talked with Bob this morning about your pending sale of the Dry Mesa Field to Chuska Energy Company. As a result of our conversation, I have enclosed several copies of our "Designation of Operator" form so that you may officially notify this office of the transfer.

With respect to transfer of the wells, A.A.C. R12-7-103.B (copy enclosed) requires three things before the Commission can release your bonded responsibility for the wells. These are (1) that you properly notify the Commission in writing of what is being transferred, (2) that the transferee declare to the Commission in writing acceptance and bonded responsibility for the wells, and (3) the Commission approves the transfer.

With respect to transfer of the disposal well, A.A.C. R12-7-178 (copy enclosed) requires that you notify the Commission on the "Designation of Operator" form in triplicate before the proposed transfer date. The Commission will send a copy of the approved form to the former and proposed operator along with a copy of the order authorizing injection.

Please let me know if I can be of further assistance in this matter.

Sincerely,

Steven L. Rauzi
Oil & Gas Program Administrator

Enclosures

106

DRY MESA CORPORATION

POST OFFICE BOX 5446
FARMINGTON, NEW MEXICO 87499
505 325-2058

May 7, 1991

Dan Brennan - Executive Director
Arizona Oil And Gas Conservation Commission
5150 North 16th Street Suite B-141
Phoenix, Arizona 85016

Re: Navajo Tract 138 - Well #2

Dear Mr. Brennan:

Enclosed is a copy of Arizona O&G Form 4 for Navajo Tract 138 Well #2. The well has not been mechanically altered since Monsanto recompleted it in 7/69. I used the production test from 1969 on Form 4; we have not tested the well and do not have any test data more current than that. I have also included a copy of the BLM Sundry Notice that was filed, a 1969 back pressure test, a 1985 gas analysis, and a well bore sketch. We are staging the well's production up from 500 MCF/day until we get a pressure drawdown suitable for the pipeline's working pressure. I anticipate that we will be able to produce the well at 1,500 MCF/day or better. Fluids from the separator are going into a pit at this time. We should have a condensate tank set within 7 days and an evaporation pit for any water. The well was unloading kill fluid when I wrote this so the true volume of produced water is unknown. Operationally, to dispose of this water in the injection well would require a 3/4 mile flow line over the cliff or the purchase of a water hauling truck. Additionally, extensive anti freeze-up measures would be needed for either of these methods. With the anticipated small volume of produced water, this will be uneconomic for some time. We are requesting the change in the disposal permit to cover situations where significant fluid volumes would arise such as swabbing back fluids from an acid treatment.

For your information, the gas line is owned and operated by Western Gas Processors, LTD: 12200 North Pecos Street, Suite 230, Denver, Colorado 80234.

AZ OIL & GAS
CONSERVATION COMMISSION

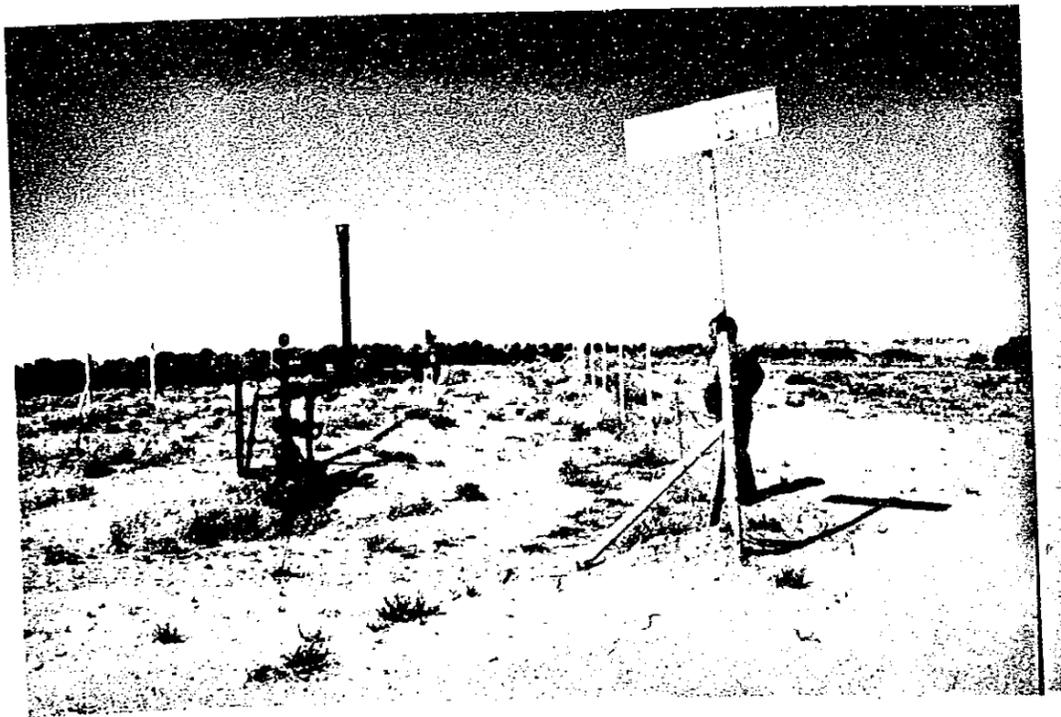
MAY 7 1991

Sincerely,

Bob Hand
Bob Hand

#106





NA SWNW 12 4010-28E
Paymen 10/887

PIN 106

Cross Creek (Texas Pacific) Navajo 138-2



17A

SW NW 12 40N-28E

(P10106)

Dry Mesa 10/89

Cross Creek (Texas Pacific) Navajo 138-2



Oil and Gas Conservation Commission

STATE OF ARIZONA

5150 N. 16th STREET, SUITE B-141
PHOENIX, ARIZONA 85016
PHONE: (602) 255-5161

April 29, 1991

Mr. Kenneth R. Hand
Dry Mesa Corporation
P. O. Box 5446
Farmington, NM 87499

Dear Ken:

We are pleased to hear that you are in the process of building your gas pipeline to hook into the Black Rock Compressor Station. Please send in a new recompletion report (Form 4-copy enclosed) when you finish your work on the No. 2 well.

Of course, I have to remind you that your disposal well is permitted to receive water from the Mississippian only. No Pennsylvanian water is to be injected prior to a hearing by the Commission. The next meeting is scheduled for May 31, 1991, so if you get your request into the office in the next two weeks, we can get it on the agenda.

Enclosed is your approved Form No. 8.

Best wishes on production from the Number 2 well,

Very truly yours,

Daniel J. Brennan
Executive Director

Enclosures

OPERATOR'S CERTIFICATE OF COMPLIANCE AND AUTHORIZATION

TRANSPORT OIL OR GAS FROM LEASE

Federal, State or Indian Lease Number, or lessor's name if fee lease 4-20-603-4190		Field Dry Mesa	CONSERVATION COMMISSION	Wolr Barker Creek
Survey or Sec-Twp-Rge Sec. 12, T40N, R28E	County Apache	APR 29 1991	State Arizona	
Operator Dry Mesa Corporation				
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:				
Street Post Office Box 5446	City Farmington	State New Mexico		
Above named operator authorizes (name of transporter) Western Gas Processors, Ltd.				
Transporter's street address 12200 N. Pecos, Suite 230	City Denver	State Colorado		
Field address				
Oil, condensate, gas well gas, casinghead gas				
To transport	100	% of the	Gas	from said lease.
OTHER GATHERERS TRANSPORTING FROM THIS LEASE ARE AS FOLLOWS:				
Name of gatherer Gary-Williams Energy Company	% transported 100	Product transported oil		
Indicate whether or not this certificate is for a new lease. If not a new lease, indicate whether or not it is a change of operator, change of lease name, change of gatherer, or a consolidation or subdivision of leases and give effective date of change. A gas line is being built to transport the gas which has been shut in.				

The undersigned certifies that the rules and regulations of the State of Arizona Oil & Gas Conservation Commission have been complied with in drilling and producing operations on this lease, except as noted above, and that the above transporter is authorized to transport the above specified percentage of the allowable oil or gas produced from the above described property, and that this authorization will be valid until further notice or until cancelled by the State of Arizona Oil & Gas Conservation Commission.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the President of the Dry Mesa Corporation (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 April 26, 1991

Signature *Kenneth R. ...*

Date approved: 4/29/91
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

By: *[Signature]*

Permit No. 106

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Operator's Certificate of Compliance & Authorization to
Transport Oil or Gas from Lease
File Two Copies
Form No. 8

SECURITIES SAFEKEEPING
 1700 WEST WASHINGTON ST. - PHOENIX, ARIZONA 85007

PERMIT 106

DATE: 11/29/89
 STATE AGENCY OIL & GAS CONSERVATION COMM. ✓
 COMPANY DRY MESA CORPORATION ✓
P O BOX 5446
FARMINGTON, NEW MEXICO 87499

STATE AGENCY NO. _____

State Treasurer's Use Only

DOMESTIC FOREIGN

DEPOSIT

C.D. NO.: 2538054 ✓
 BANK: VALLEY NATIONAL BANK OF AZ ✓
 MATURITY DATE: 11/24/92 ✓ INTEREST RATE: 8.0% ✓
 AMOUNT \$ 25,000.00 ✓

C.D. ASSIGNMENT MUST BE ATTACHED UNLESS C.D. IS PAYABLE TO STATE TREASURER

RELEASE

C.D. NO.: _____
 BANK: _____
 MATURITY DATE: _____ INTEREST RATE: _____ %
 AMOUNT \$ _____

NOV 29 3 19 PM '89
 RECEIVED
 STATE TREASURER

STATE TREASURER VALIDATION NO. _____

RECEIVED THE ABOVE RELEASE		STATE AGENCY AUTHORIZATION	
BY _____	Date _____	BY <u>Katie Barnes</u>	Authorized Signature
_____	Bank or Firm	BY <u>Katherine Jaramillo</u>	Authorized Signature
FOR BANK USE ONLY		BANK AUTHORIZATION	
Checked by _____	Verified by _____	BY _____	Authorized Signature
		STATE'S DEPOSITORY BANK	

**ASSIGNMENT TO ARIZONA STATE TREASURER
SECURITY IN LIEU OF CASH DEPOSIT FOR COMPLIANCE WITH
SECTION 35-155 ARIZONA REVISED STATUTES**

NAME DRY MESA CORPORATION
 STREET ADDRESS P. O. Box 5446, Farmington
 COUNTY San Juan STATE New Mexico CITY 87499 TELEPHONE NUMBER 505 325-2058

hereinafter referred to as ASSIGNOR, does hereby assign and transfer to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, all right, title and interest of any kind whatsoever, owned or held by Assignor in the principal, but not in the interest hereinafter accruing after the date of this assignment in the insured account of ASSIGNOR so long as such funds remain on deposit in the

Valley Bank Of Arizona, St. Johns Branch
FINANCIAL INSTITUTION

whose address is 820 West Cleveland, St. Johns, Apache, Arizona 85936
 STREET ADDRESS CITY COUNTY

Arizona, as evidenced by an ^{C.D.} account in the amount of Twenty Five Thousand And No/100 dollars (\$ 25,000.00) identified by account number 8562-9077 which account is insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Corporation. This assignment is given as security for compliance with ARS 27-501 to 539 and with the Rules of the Oil and Gas Conservation Commission.

Dated this 20th day of November, 19 89, at Farmington, N.M. ARIZONA.

IMPORTANT - SIGNATURE OF ASSIGNOR

This Assignment shall be signed by the Individual Himself

Dry Mesa Corporation
NAME OF ASSIGNOR EXACTLY AS SHOWN ABOVE
BY: [Signature]
SIGNATURE OF ASSIGNOR

FIRST ENDORSEMENT - RECEIPT FOR NOTICE OF ASSIGNMENT

Receipt is hereby acknowledged to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, of written notice of the assignment to said Treasurer of the above-identified account. We have noted our records to show the interest of the Treasurer in said account as shown in and by the assignment above. We have retained a copy of this document. We hereby certify that we have not received any notice of lien, encumbrance, hold, claim or other obligation against the above-identified account prior to its assignment to the Treasurer. We further hereby waive any current and future right of set-off against such account. We agree to make payment as required by the Rules and Regulations of the Treasurer adopted in accordance with applicable laws and the law applicable to this institution.

Dated this 24TH day of NOVEMBER, 19 89, at ST JOHNS, Arizona
VALLEY NATIONAL BANK OF ARIZONA

BY [Signature] Personal Banker
SIGNATURE OF OFFICER OF FINANCIAL INSTITUTION TITLE

Subscribed and sworn before me this 27th day of November, 19 89.

[Signature]
NOTARY PUBLIC SIGNATURE
My Commission Expires Oct. 21, 1990
COMMISSION EXPIRES

SECOND ENDORSEMENT - RECEIPT FOR SECURITY AND DIRECTION TO PAY EARNINGS

Receipt is acknowledged of the assignment above and the account identified in the assignment above. The financial institution named in the assignment above is hereby authorized and directed to pay any earnings credited after the date of this assignment on the above-identified account of the above-named assignor.

Dated this _____ day of _____, 19 _____, at _____, Arizona.

ARIZONA STATE TREASURER
Treasurer or Authorized Representative
By: [Signature]
(Prepare in duplicate. Please Type all Information)

Attach Original Assignment to Certificates of Deposit and File with State.

RECEIVED
BY THE
TREASURER
NOV 29 3 19 PM '89



Valley National Bank of Arizona

Certificate of Deposit
NON TRANSFERABLE

2538054

BRANCH ST JOHNS

BRANCH NO. 043

DATE 11-24-89

THIS CERTIFIES THAT THERE HAS BEEN DEPOSITED IN THIS BANK

PAY TO ARIZONA STATE TREASURER

ACCOUNT NO.

8562-9077

\$ 25,000.00

DEPOSITED BY:

(UPON
SURRENDER
OF THIS
CERTIFICATE
PROPERLY
ENDORSED)

DRY MESA CORPORATION

P O BOX 5446

FARMINGTON, NEW MEXICO 87499

THIS CERTIFICATE MATURES IN 3 YEARS FROM ISSUE DATE ON

NOVEMBER 24 19 92 INTEREST IS TO BE PAID MONTHLY

AT THE RATE OF 8.0000 % PER ANNUM ON A 365 DAY YEAR BASIS

FIRST INTEREST PAYMENT DUE DEC 24, 1989

SINGLE MATURITY - INTEREST CEASES AT MATURITY.

AUTOMATICALLY RENEWABLE - THIS CERTIFICATE WILL AUTOMATICALLY RENEW EVERY 3 YEARS

UNLESS REDEEMED WITHIN 10 CALENDAR DAYS (ONE BUSINESS DAY FOR MATURITIES OF 31 DAYS OR LESS) AFTER ANY MATURITY. THE BANK RETAINS THE RIGHT TO REDEEM THIS CERTIFICATE OR CHANGE THE INTEREST RATE AS OF ANY MATURITY.

Susan J. Chambers
AUTHORIZED SIGNATURE

CROSS CREEK CORPORATION
P.O. BOX 1957
DUNCAN, OK. 73534-1957

AZ OIL & GAS
CONSERVATION COMMISSION

JAN 26 1990

January 23, 1989

Arizona Oil & Gas Commission
5150 N 16th Street B141
Phoenix, Az. 85016

RE: Dry Mesa Field , Tract 138 Lease
Teec Nos Pos Field, Navajo "O"

Attention: Dan Brennan

Dear Sir:

Enclosed herewith please find copies of the following
information:

Tax Sale Notice
Letter to Apache County Treasurer
Agreement of Sale & Purchase

If you have any questions please feel free to call.

Thank you,



Scott L. Hand
Cross Creek Corporation

CROSS CREEK CORPORATION
P.O. BOX 1957
UNCAN, OK. 73534-1957

AZ OIL & GAS
CONSERVATION COMMISSION

JAN 26 1990

January 23, 1990

Lavere O. Connolly
Apache County Treasurer
P.O. Box 699
St. Johns, Az. 85936

RE: Parcel ID 989-12-700-00-8

Dear Mr. Connolly:

Enclosed herewith please find a copy of the Agreement of Sale and Purchase from Cross Creek Corporation to Ken R. Hand d/b/a Dry Mesa Corporation effective February 15, 1989 for Operating Rights of the leases this tax statement covers. For your convenience I have highlighted the following items:

- #2) Buyer's Representations (c)
- #5) Taxes
- #7) Effective Date
- #15) Miscellaneous

Cross Creek Corporation has mailed or delivered to Kenneth R. Hand d/b/a Dry Mesa Corporation, P.O. Box 5446, Farmington, NM 87499 and/or #15 Willowbrook, Wichita, Ks. 67207, any and all tax statements, requests and demands as follows:

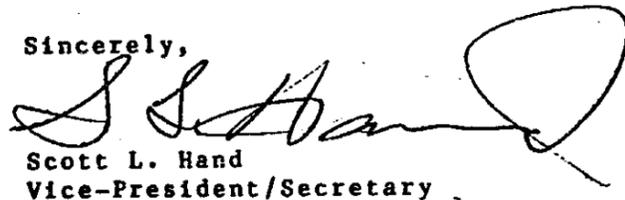
- a) Copy 1988 Tax Statement, delivered 2/13/89
- b) Original 1988 Tax Stment, delivered 2/14/89
- c) Delinquent Tax Notice, mailed 10/5/89
- d) 1989 Original Tax Statement, mailed 10/5/89
- e) Tax Sale Notice, mailed 1/23/89

We have also notified by mail, the sale of these properties, to the Arizona Department of Revenue, Division of Evaluation and Equalization, Sales, Use & Severance Tax Division and Apache County Tax Assessor.

We are asking that any further request regarding these properties be sent to the current operator, Kenneth R. Hand d/b/a Dry Mesa Corporation at the address or addresses above.

Thank you for your prompt attention and cooperation in this matter.

Sincerely,



Scott L. Hand
Vice-President/Secretary

cc: Kenneth R. Hand d/b/a Dry Mesa Corporation
cc: Arizona Oil & Gas Commission

AZ OIL & GAS
CONSERVATION COMMISSION

JAN 26 1990

LAVERE O. CONNOLLY
APACHE COUNTY TREASURER
P. O. BOX 699
ST. JOHNS, ARIZONA 85936
TELEPHONE: (602) 337-4364 EXT. 252

JAN 22 RECD

JANUARY 8, 1990

CROSS CREEK CORP.
SCOTT HAND
P. O. BOX 447
FARMINGTON, N. M. 77057

PARCEL ID 989-12-700-00-8
DESCRIPTION VALUE OF PRODUCING OIL AND GAS INTEREST

** TAX SALE NOTICE **

YEAR	RECEIPT	TAX CERT	TAX	INTEREST	TOTAL
88 F	43741		8,993.06	1,438.89	10,431.95
89 F	43644		4,403.62	88.07	4,491.69
TOTAL IF PAID BY FEBRUARY 1, 1990					14,923.64

PAYMENT MUST BE MADE BY CERTIFIED CHECK, CASHIERS CHECK, OR POSTAL MONEY ORDER.
THIS PARCEL HAS DELINQUENT TAXES. ADDITIONAL TAXES, INTEREST, AND PENALTIES MAY BE DUE.
UNDER THE PROVISIONS OF THE STATUTES COVERING DELINQUENT TAXES, IT IS MANDATORY FOR ME TO ADVERTISE & SELL ALL TAXES OLDER THAN 1989, WHICH ARE OUTSTANDING AGAINST THIS PROPERTY AFTER FEBRUARY 1, 1990 (ARS #42-385).

SINCERELY YOURS,
LAVERE O. CONNOLLY
APACHE COUNTY TREASURER

JAN 26 1990

AGREEMENT OF SALE AND PURCHASE

This agreement made and entered into this 15th day of February, 1989 by and between CROSS CREEK CORPORATION, an Oklahoma corporation, with an office and place of business at #30 Road 1990, Farmington, New Mexico 87499; hereinafter sometimes called "Seller," and DRY MESA CORPORATION, a Delaware corporation, with an office and place of business at #15 Willowbrook, Wichita, Kansas 67207, hereinafter sometimes called "Buyer."

Seller agrees to sell and Buyer agrees to buy for the sum described hereinafter the following described and referred to properties and interests which are together hereinafter sometimes referred to as the "Subject Interests."

All of Seller's right, title and interest in and to:

1. All of those properties, rights and interests described on Exhibit "A", attached hereto and made a part hereof for all purposes, together with all operating rights as to the oil, gas and mineral leases described on Exhibit "A".
2. Together with all units associated with the oil, gas and mineral leases noted on said Exhibit and all personal property, improvements, moveables, easements, permits, licenses, servitudes and rights-of-way situated upon or used or useful or held for future use in connection with the exploration, development, maintenance or operation of the properties, rights and interests described in No. 1 hereinabove or the production, treating, storing or transportation of the oil, gas or other minerals produced from such leases, including, but not by way of limitation, wells, tanks, boilers, buildings, fixtures, machinery and other equipment, pipelines, power lines, telephone and telegraph lines, roads and other appurtenances situated upon or used or useful or held for future use in connection with the exploration, development, maintenance or operation of the properties, rights and interests described in No. 1 hereinabove or the production, treating, storing or transportation of oil, gas or other minerals produced from the properties, rights and interests described in No. 1 hereinabove.

This agreement does not cover the sale and conveyance of any gas purchase pipelines, gas purchase facilities or gas purchase contracts.

This agreement and conveyance is made and accepted subject to the following terms and conditions:

1. Seller's Representations: Seller represents to Buyer:
 - (a) That the Subject Interests include all the property rights acquired by CROSS CREEK CORPORATION on those leases. (See Exhibit "A".)
 - (b) That, to the best of Seller's knowledge, there are no administrative proceedings, litigations or claims pending (other than those listed below), affecting or relating to the ownership, use, operation or maintenance of the Subject Interests.
 - (c) That, to the best of Seller's knowledge, all oil and gas leases, contracts, licenses, easements, permits and other rights and interests comprising

any portion of the Subject Interests are now and shall be as of the date of closing in full force and effect according to their respective terms and provisions and that all rights granted thereby are valid and subsisting, and Seller has received no notices or demands affecting or relating to such rights.

- (d) That, to the best of Seller's knowledge, all payments of rentals, royalties, and other charges, if any, required by the terms and provisions of the oil, gas and mineral leases, contracts, licenses, permits and easements comprising any portion of the Subject Interests to be made prior to closing date to prevent forfeiture or termination thereof shall have been fully and timely paid.
- (e) That all consents, waivers or permissions required for the valid and effective conveyance and assignment to Buyer of any rights or interests included within the Subject Interests have been obtained or will be obtained prior to the date of closing, and, if requested by Buyer, satisfactory evidence thereof will be furnished to Buyer at or before the date of closing.
- (f) That Seller has caused no lien to attach to any of the Subject Interests.
- (g) Seller has full power and authority to enter into and perform its obligations under this agreement and has taken all proper corporate action to authorize entering into this agreement and the performance of its obligations hereunder.
- (h) That Seller shall not have received, prior to the closing date, any prepayment for production of oil, gas or other minerals from the Subject Interests produced subsequent to the effective date hereof except payments for which Seller will make proper accounting to Buyer on the date of closing.
- (i) The conveyance and assignment from Seller to Buyer of the Subject Interests will contain no warranty of title to the Subject Interests, either expressed or implied, except that as to those items listed on Exhibit "A". Seller warrants that the Subject Interests have not been disposed of, mortgaged or encumbered by Cross Creek Corporation.

2. Buyer's Representations: Buyer represents to Seller:

- (a) That Buyer is negotiating this transaction and entering into this contract for its own account.
- (b) That Buyer will promptly cooperate in the closing of the transaction evidenced hereby after being informed by Seller that the papers necessary for such conveyance have been prepared.
- (c) That Buyer will promptly post a bond necessary to meet the requirements of operation of the Subject Interests. The buyer will accept any and all liabilities that should occur by the absence of such bonds.

3. Buyer's Conditions to Closing: The obligations of Buyer under this agreement to purchase the Subject Interests

shall, at Buyer's option, be conditioned upon the following:

- (a) Seller shall have performed all of the terms and provisions contained in this agreement to be performed.
 - (b) At the date of closing, no suit, action or other proceeding shall be pending or threatened in which it is sought to restrict or prohibit the consummation of the sale of the Subject Interests as contemplated by this agreement or in which title of Seller to any part of the Subject Interests is brought into question.
4. Records, Contracts and Files: If requested by Buyer, all original lease and land records, and all existing contracts, well files, including all well logs, core analyses, drilling records, filed forms, and all other materials pertaining to the Subject Interests in possession of Seller and copies or duplicates of which Buyer does not have shall be delivered to Buyer and, as of closing, shall become the property of Buyer as a part of the Subject Interests.
 5. ~~Taxes: Property and/or ad valorem taxes and Possessory Interest Taxes that remain unpaid against the Subject Interests shall be the responsibility of Buyer.~~
 6. Conditions and Covenants: Buyer agrees that from and after the effective date, hereinafter noted, it will assume and carry out all conditions and covenants and obligations contained in the leases, contracts, licenses, easements and permits comprising the Subject Interests which Buyer is legally obligated to perform. Seller declares that, to the best of its knowledge, such conditions, covenants and obligations have been fully complied with and performed down to the effective date hereinafter noted and agrees to hold Buyer harmless from any claim or judgment arising out of Seller's failure to so comply with and perform any such conditions, covenants and obligations with which Seller was legally obligated to comply or as to which Seller was legally obligated to perform.
 7. ~~Effective Date: The conveyance and assignment of Subject Interests to Buyer shall be made effective as to the date first written above.~~
 8. The Buyer will assume ownership of any and all oil remaining in the tanks on the Subject Interests. The Seller will receive all monies for oil sold before the effective date and will pay all royalties and severance taxes due upon said production. After such royalties and taxes are paid, fifty (50) percent of the remaining monies will be paid to Hay Hot Oil under the terms of Exhibit "C", and the remaining fifty (50) percent will be credited to Sun's Interest.
 9. Closing Date: This sale and purchase shall be consummated and closed on the day first written above.
 10. Operation of Subject Interests: All costs and expenses of the operation of the Subject Interests after the effective date shall be charged to the account of Buyer and shall be paid solely by Buyer.
 11. Delivery of Records, Contracts and Files: At the time of

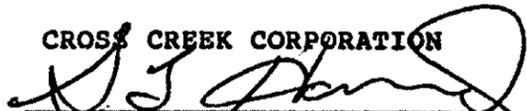
closing, or as soon thereafter as possible, Seller shall deliver to Buyer all records, contracts, files and other materials herein required to be furnished and delivered by Seller and which have not already been so delivered to Buyer. At closing, Seller shall then deliver to Buyer instruments of assignment and conveyance covering all of the Subject Interests duly executed and acknowledged on behalf of Seller.

12. Payment of Purchase Price: Buyer agrees to assume the liabilities as shown on Exhibit "B". The liability to Hay Hot Oil, Incorporated will be met under the conditions as set out in an agreement between Hay Hot Oil, Incorporated and Cross Creek Corporation and attached as Exhibit "C". The liability to Cross Creek Corporation will be met by and in a promissory note and agreement between the Buyer and Seller and a copy herein attached as Exhibit "D".
13. Negotiations of This Sale and Purchase: Each party represents that it has negotiated this transaction only through its own personnel and has incurred no obligation to any agent, or broker for any commission in connection with this transaction.
14. Entire Agreement: This agreement contains the entire agreement between the parties hereto with respect to the transaction covered hereby and supersedes all prior agreements between the parties, oral or written, relating to the subject matter of this agreement. This agreement shall extend to and be binding upon the heirs, successors and assigns of the parties hereto. An assignment shall be executed in consummation of this agreement. Any conflict between said assignment and this agreement shall be resolved in favor of this agreement.
15. Miscellaneous:
 - (a) The personal property, improvements and moveables included in the Subject Interests are to be conveyed without any warranties, expressed or implied, as to quality, merchantability or fitness for use of or for a particular purpose. Additionally, such items will be conveyed "as is" and "where is."
 - (b) ~~Buyer agrees to indemnify and hold Seller harmless from any and all claims, attorneys' fees, demands, costs, causes of action, suits, fines, damages, rulings and judgments accruing on and after the effective date and based on or in any way related to the use, operation, maintenance, repair or maintenance of the personal property, improvements and moveables included in the Subject Interests.~~
 - (c) ~~Buyer agrees that upon closing of this transaction, it solely assumes the full obligation to properly and promptly plug and abandon all wells needing such operations and located on the Subject Interests.~~
 - (d) ~~Buyer shall fully comply with all rules, regulations, orders, laws and rulings with respect to the Subject Interests and agrees to indemnify and hold Seller harmless from any attorneys' fees, judgments and damages accruing on and after the effective date and resulting from Buyer's failure to so comply.~~

- (e) Buyer shall fully comply with all terms, covenants and conditions of the oil, gas and mineral leases included in the Subject Interests and all related documentation and agrees to indemnify and hold Seller harmless from all claims, demands, fines, attorneys' fees, judgments and damages accruing on and after the effective date and resulting from Buyer's failure to so comply.
- (f) Buyer hereby agrees to indemnify and hold harmless Seller from all attorneys' fees, costs, fines, damages, claims, judgments, and losses, accruing after said effective date, and resulting from, arising out of our association with any interests or operations as to the Subject Interests, or any part thereof.
- (g) Buyer and Seller, for themselves and any related business concerns, hereby waive and release any and all claims and causes of action in favor of Buyer or Seller, and any related business concern, against Buyer or Seller, and any related business concern, and arising out of the contractual or business relationship of Buyer and Seller, or any related business, as to the Subject Interests, excluding this Agreement of Sale and Purchase and said Assignment executed pursuant to this Agreement of Sale and Purchase. If this waiver and release is legally ineffectual then Buyer and Seller hereby agrees to indemnify and hold harmless each other from any and all claims, damages and causes of action in behalf of each (or in behalf of any affiliate or related business concern of each) except for those claims, damages and causes of action arising by virtue of or pursuant to this Agreement of Sale and Purchase or said Assignment, and arising out of, related to or associated with the contractual or business relationship of Seller (or any affiliate or related business concern of Seller) with Buyer (or any affiliate or related business concern of Buyer) as to the Subject Interests.
- (h) The conveyance of the Subject Interests shall be made specifically subject to any and all conveyances, reservations and matters of record in Apache County, Arizona, or the Bureau of Land Management, even though such conveyances, reservations and matters are not specifically recited herein or in said conveyance, to any gas purchase contracts currently in force as to the Subject Interests, if any, and to all non-consent elections by seller or its predecessors in interest.

This agreement may be executed in one or more counterparts, each of which shall have the same validity as the original. This instrument is signed effective as to the date first written above.

SELLER: CROSS CREEK CORPORATION


S. L. Hand
Vice President/Secretary

BUYER: DRY MESA CORPORATION

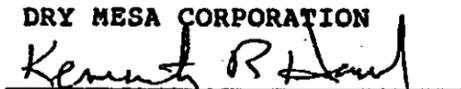

Kenneth R. Hand
President

EXHIBIT "A"

LEASE SCHEDULE

LEASE NO.	NAME	LEASE DATE & TERM	BASIC RI	ORRI BURDEN	DESCRIPTION	GROSS ACRES	NET ACRES
BIA 14-20-603-4190	Navajo Tract 138	05/28/58 HBP	16.67%	-0-	Township 40 North, Range 28 East Section 1 : All Section 2 : All Section 11 : All Section 12 : All	2,357.00	1,178.50
					Apache County, Arizona		
BIA 14-20-603-716	Teec Nos Pos	10/07/54	12.5%	-0-	Township 41 North, Range 30 East Section 23: S $\frac{1}{2}$ Section 25: W $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ Section 26: NE $\frac{1}{4}$	640.00	640.00



Oil and Gas Conservation Commission

STATE OF ARIZONA

5150 N. 16th STREET, SUITE B-141
PHOENIX, ARIZONA 85016
PHONE: (602) 255-5161

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF ARIZONA

In the matter of the Hearing called
by the Oil and Gas Conservation
Commission of the State of Arizona
for the purpose of considering:

CASE NO. 62
ORDER NO. 56

The application of Chuska Energy Company
to establish a rule for 160-acre spacing
in the Black Rock Field, Apache County,
Arizona

ORDER OF THE COMMISSION

This cause was considered at 10:05 A.M. on September
15, 1989 at Phoenix, Arizona by the OIL AND GAS CONSERVATION
COMMISSION OF THE STATE OF ARIZONA, hereinafter referred to
as the COMMISSION.

The COMMISSION, a quorum being present, having
considered the facts presented and being fully advised in
the premises, finds as follows:

FINDINGS:

(1) THAT the COMMISSION has jurisdiction of the
subject matter thereof, pursuant to ARS 27-504 and 27-516 A.12.

(2) THAT adequate geological and engineering data has
been presented to the COMMISSION to conclude that the
Paradox formation in the subject area is a pool and a
separate common source of supply of gas and associated
hydrocarbons.

(3) THAT 640-acre spacing will not adequately drain
the reservoir, resulting in waste of the resource.

(4) THAT spacing of less than 160 acres per well would
result in drilling of unnecessary wells.

Chuska Energy Company
Page - 2 -

(5) THAT 160 acres is not less than the maximum area that can be effectively drained in an efficient and economical manner by a single well producing gas and associated hydrocarbon from the Paradox formation in subject area.

(6) THAT it is in the best interest of the people of the STATE OF ARIZONA that the application for 160-acre spacing in Black Rock Field, Apache County, Arizona be approved.

THEREFORE the COMMISSION orders:

(1) THAT there be established 160-acre spacing units for the production of gas and associated hydrocarbons in the following area:

T40N-R29E G&SRB&M

Sec 7, W 1/2 and SE 1/4	Sec 18, N 1/2 and SE 1/4
8, S 1/2	20, NE 1/4
9, S 1/2	21, All
15, W 1/2	22, All
16, All	23, SW 1/4
17, All	26, NW 1/4
	27, N 1/2

T40N-R28E G&SRB&M

Sec 1, All	Sec 11, All
Sec 2, All	Sec 12, All

(2) THAT the 160-acre spacing units shall correspond with governmental quarter sections according to the protracted governmental survey of the area.

(3) THAT except as provided in Section 4 below, no gas well shall be drilled closer than 660 feet from the outer boundary of any quarter section, in the area spaced.

(4) THAT the following existing wells are designated as the unit wells for the spacing unit in which they are located even though they are exceptional locations.

O&G Permit #	Name	Spacing Unit
115	Dry Mesa (Texas Pacific) 138-3Navajo	SE 1/4 Sec 2 T40N-R28E
615	Chuska (American Fuels) Black Rock 2 (1Navajo AC)	NE 1/4 Sec 17 T40N-R29E
581	Chuska (Am Fuel, CSO) Black Rock 3 (1-16 Navajo)	NW 1/4 Sec 16 T40-R29E

Chuska Energy Company
Page - 3 -

(5) THAT the producing interval to which this order applies is the Pennsylvanian Paradox formation correlative with the interval 4567 feet to 5558 feet in the well Chuska Energy (American Fuels) Black Rock #2 (1Navajo AC) located in Section 17, T40N-R29E, Apache County, Arizona.

OIL AND GAS CONSERVATION COMMISSION

By J. Dale Nations
J. Dale Nations, Chairman

DATE 9/29/89

(SEAL)

ATTEST:

Daniel J. Brennan
Daniel J. Brennan
Executive Director

DATE October 2, 1989



Oil and Gas Conservation Commission

STATE OF ARIZONA
3110 N. 19th AVENUE, SUITE 190
PHOENIX, ARIZONA 85015
PHONE: (602) 255-5161

April 6, 1989

Mr. K. R. Hand
Dry Mesa Corporation
P. O. Box 5446
Farmington, NM 87499

Dear Mr. Hand:

Regarding our telephone conversation on April 5, 1989, I have enclosed the following forms to properly document the transfer of property at the Teec Nos Pos and Dry Mesa Fields from Cross Creek Corporation to Dry Mesa Corporation.

- Form 1: Organization Report (File 1 copy)
- Form 2: Performance Bond (File 2 copies)
- Form 8: Operators Certificate of Compliance and Authorization to Transport Oil or Gas From Lease (File 2 copies)
- Form 16: Producers Monthly Report (File 1 copy monthly)

As for the particular wells involved in the sale, the Arizona Oil and Gas Conservation Commission accepts copies of the Sundry Notices sent to the BLM that provide the legal description, well locations, and the status as of the date of sale.

Sincerely,

Steven L. Rauzi

Steven L. Rauzi
Oil & Gas Specialist

Encl.

106



Oil and Gas Conservation Commission
STATE OF ARIZONA
3110 N. 19th AVENUE, SUITE 190
PHOENIX, ARIZONA 85015
PHONE: (602) 255-5161

December 24, 1987

BHP Petroleum
5613 DTC Parkway, Ste 600
Englewood, CO 80111

Attn: J. W. Bair

Gentlemen:

Thank you for your letter of Dec. 21, 1987, confirming the sale of property in the Dry Mesa and Teec Nos Pos fields to Cross Creek Corp.

Please be aware that your bonds (Nos. 731451 and 8111-66-21) on these properties cannot be released until Cross Creek files their own bond(s), which to date they have not done.

If we can be of any assistance, please advise.

Sincerely,

R. A. Ybarra
R. A. Ybarra
Enforcement Director

RAY:lr

RECEIVED
DEC 23 1987

O & G CONSV. COM. 1

Suite 600
5613 DTC Parkway
Englewood, Colorado 80111
Telephone (303) 850-8080
DEX: (303) 850-9110

December 21, 1987



Oil and Gas Conservation Commission
State of Arizona
Suite 190
3220 N. 19th Avenue
Phoenix, Arizona 85015
Attn: R. A. Ybarra

Re: Transfer of Property
Dry Mesa and Teec Nos Pos Fields
Apache County, Arizona

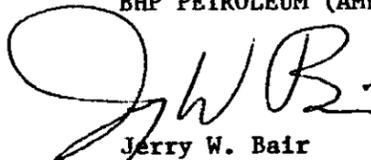
Gentlemen:

Pursuant to your letter dated October 14, 1987 (copy attached), this is to notify you that Tract 138 property in Dry Mesa Field and property in Teec Nos Pos Field, Apache County, Arizona, has been sold by BHP Petroleum (Americas) to Cross Creek Corporation, P. O. Box 1957, Duncan, Oklahoma 73534. Operations were assumed from BHP by Cross Creek at 7:00 a.m. on April 1, 1987. A list of wells involved is attached.

If you have any further questions, please do not hesitate to contact us.

Very truly yours,

BHP PETROLEUM (AMERICAS) INC.


Jerry W. Bair

/js
Attachment



Oil and Gas Conservation Commission

STATE OF ARIZONA

3110 N. 19th AVENUE, SUITE 190

PHOENIX, ARIZONA 85015

PHONE: (602) 255-5161

October 14, 1987

BHP Petroleum Company, Inc.
1300 Post Oak Tower
5051 Westheimer
Houston, TX 77056

RE: Transfer of Property
Dry Mesa and Teec Nos Pos Fields
Apache County, Arizona

Gentlemen:

We understand that certain wells located in the above-captioned fields have been transferred to Cross Creek Corp., effective July 20, 1987.

Please be informed that BHP is also required to notify the Commission in writing to confirm the transfer. Identify and give a location for each well transferred and confirm the effective date of transfer.

Your bonds, Nos. 731451 and 8111-66-21, will be released as soon as we receive proper bonding from the new operator.

If you have any questions on this matter, please call.

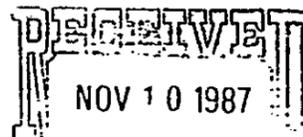
Sincerely,

R. A. Ybarra
R. A. Ybarra
Enforcement Director

/kb

cc: Cross Creek Corp.
P. O. Box 447
Farmington, NM 87499-0447

NOV 4 1987



BHP PETROLEUM
DNV LAND DEPT.

WELL LOCATIONS

BHP Petroleum (Americas) Inc.

<u>Well Name</u>	<u>Description</u>
Old Trading Post #1	790' FSL and 1850' FWL Sec. 10, T26N, R14W
Navajo "0" #1	1880' FWL and 660' FSL Sec. 23, T41N, R30E
Navajo "0" #2	1830' FSL and 1930' FEL Sec. 23, T41N, R30E
Navajo "0" #3	1000' FSL and 900' FWL Sec. 23, T41N, R30E
Navajo "0" #4	660' FSL and 660' FEL Sec. 23, T41N, R30W
Navajo "0" #5	560' FNL and 660' FEL Sec. 26, T41N, R30E
Navajo Tract 138 #1	660' FNL and 660' FEL Sec. 11, T40N, R28E
Navajo Tract 138 #2	1980' FNL and 660' FWL Sec. 12, T40N, R28E
Navajo Tract 138 #3	760' FSL and 2035' FEL Sec. 2, T40N, R28E
Navajo Tract 138 #6	1689.5' FSL and 2289.7' FWL Sec. 2, T40N, R28E

1300 Post Oak Tower
5051 Westheimer
Houston, Texas 77056
Telephone (713) 877-5999
Fax (713) 877-5950
Telex 262496



August 19, 1986

Mr. R. A. Ybarra
Enforcement Director
Oil & Gas Conservation Commission
State of Arizona
1645 West Jefferson, Suite 420
Phoenix, Arizona 85007

Re: BHP Petroleum (Americas)-
Bond #731451
BHP Petroleum Company -
Bond #8111-66-21

Dear Mr. Ybarra:

Pursuant to your request July 16, 1986 of Ms. Diana Jones, we submit the following well information by company:

BHP Petroleum Company Apache County, Arizona
Formerly: Monsanto Oil Company
Dry Mesa Field
Navajo Tract 138
Well #'s

State Permit No.

1	77
2	106
3	115
6	852

Legal Description on the above is: Sec 1, 2, 11 & 12 TWP 40N-29.

BHP Petroleum (Americas) Apache County, Arizona
Tec Nos Pos, Ismay Field
Navajo Tribal '0'

<u>Well #'s</u>	<u>State Permit No.</u>	<u>Section No.</u>
1	232	23
2	582	23
3	640	23
4	663	23
5	678	26
6	683	25
9	687	26

TWP 41N-30E.



OFFICE OF

Oil and Gas Conservation Commission

STATE OF ARIZONA

1645 WEST JEFFERSON, SUITE 420

PHOENIX, ARIZONA 85007

PHONE: (602) 255-5161

July 16, 1986

Mr. Barney E. Sullivan
Manager, Bonds & Insurance
BHP Petroleum (Americas) Inc.
217 North Water Street
Wichita, KS 67201

Re: BHP Petroleum Company Inc.
Blanket Bond No. 811-66-21
Dry Mesa Field
Apache County

Dear Mr. Sullivan:

This letter is to inform you that the above-captioned bond has been received and approved by the Commission, and that effective July 15, 1986, the old Monsanto Oil Company bond No. 328-6165 is eligible for release.

Enclosed is a copy of the approved bond.

If I can be of further assistance, please let me know.

Sincerely,

R. A. Ybarra
R. A. Ybarra
Enforcement Director

lr
Encl.

RECEIVED
JUL 7 1986

217 North Water Street
Post Office Box 1201
Wichita, Kansas 67201
Telephone (316) 265-7721
Fax (316) 264-6929
Telex II (910) 741 6940

CERTIFIED MAIL O & G (USE OF AIR)



July 3, 1986

State of Arizona
Oil & Gas Conservation Commission
Attn: Ms. Katie Barnes
1645 West Jefferson, Suite 420
Phoenix, Arizona 85007

Re: Statewide Drilling Bond
BHP Petroleum Company Inc.
Bond #8111-66-21

Dear Ms. Barnes:

Enclosed please find two copies of the captioned bond for our new subsidiary, BHP Petroleum Company Inc., formerly Monsanto Oil Company. Along with this bond is a rider accepting the liability for the old Monsanto Oil Company bond #328-6165/10720. We would appreciate you forwarding to us at the address set out above, the original copy of the old bond or a letter of release so we may cancel same.

Thank you for your assistance and should you have any questions or need additional information, please advise.

Very truly yours,

BHP PETROLEUM (AMERICAS) INC.

Barney E. Sullivan
Barney E. Sullivan
Manager, Bonds & Insurance

:dj

Enclosures

May 1, 1978

Mr. E. M. Scholl
Regional Production Manager
Monsanto Company
1330 Midland National Bank Tower
500 West Texas
Midland, Texas 79701

Re: Application to Dual Complete
Navajo Tract #138 Well #2
State Permit No. 106
Dry Mesa Field
Apache County, Arizona

Dear Mr. Scholl:

We have received your request to dual complete the above-referred well as a combination gas producer and water disposal well.

Please complete and submit two copies of the attached form to this Commission for approval. Disregard the instructions listed in the lower left hand corner of the form.

As soon as these completed forms are received, we will issue our approval for this project.

Very truly yours,

W. E. Allen
Director
Enforcement Section

WEA/vb

Enc.

Monsanto

APR 27 1978
O. & G. CONS. COMM.

Monsanto Company
1330 Midland National Bank Tower
500 West Texas
Midland, Texas 79701
Phone: (915) 683-3306

April 27, 1978

Arizona Oil & Gas Conservation Commission
Room 420
1645 West Jefferson
Phoenix, Arizona 85007

Attn: Mr. John Bannister
Executive Secretary

RE: Application to Dual Complete
Navajo Tract #138 Well #2
Contract #14-20-603-4190
Dry Mesa Field
Apache County, Arizona

Gentlemen:

Monsanto Company respectfully requests approval to dual complete the Navajo Tract #138 Well #2 in the Mississippian for water disposal and in the Paradox for gas production. Attached are plats of the area and well schematics showing the current and proposed completions.

The current completion is a Paradox gas producer from perforations at 5053-79 and 5085-90. Approximate production is 10 MCFPD, all of which is used for fuel on the lease. No gas is sold.

The other two wells on the lease, the Navajo #138 Well #1 and #138 Well #3, are completed in the Mississippian as oil producers. The #138 Well #1 produces 16 BOPD and 176 BWPD and the #138 Well #3 produces 22 BOPD and 23 BWPD. Upon elimination of open pit disposal in 1977, it became necessary to dispose of produced water through the use of commercial haulers, although this water is relatively fresh.

The #138 Well #2 was originally completed in the Mississippian through perforations at 5576-90 and 5632-47. The Mississippian was uneconomical and it was temporarily abandoned with a packer and plug set at 5476'.

Page No. 2
TO: Arizona Oil & Gas Conservation Commission
Subj: Application to Dual Complete
Navajo Tract #138 Well #2

The proposed completion would be to dispose of lease produced water through tubing (under the packer at 5476') into the Mississippian and produce Paradox gas through the casing-tubing annulus.

Please advise if you require additional information.

Yours very truly,



E. M. Scholl
Regional Production Manager

EMS:JLR:mm
Encl.

P.S. Also enclosed is a copy of the Form 9-331 which was mailed to the U.S.G.S. in Farmington, New Mexico.

W H

Monsanto

Monsanto Company
Production Department
321 West Texas
Midland, Texas 79701
Phone: (915) 683-3308

October 29, 1974

Oil & Gas Conservation Commission
State of Arizona
4515 North 7th Ave.
Phoenix, Arizona 85013

Attn: Mr. W. E. Allen, Director
Enforcement Section

RE: Navajo Tract 138
Apache County, Arizona

Dear Mr. Allen:

We have been searching the files and find no individual well production records of the former operator. Evidently, only lease production was kept during that period. We do have individual well production since 1959. Copies are attached.

- See Production well file # 106.

Please let us know if we can help in compiling any data you may need. Sorry about the delay in answering your letter.

Yours very truly,

E. M. Scholl
E. M. Scholl
Dist. Prod. Mgr.

EMS:mm

Encl.

RECEIVED

OCT 31 1974

O & G CONS. COMM.

September 13, 1974

Mr. E. H. Scholl
Monsanto Company
101 North Marienfeld
Midland, Texas 79701

Re: Monsanto Navajo Tract 138-1
NE/NE Sec 11-T40N-R28E
Apache County
Permit No. 77

Monsanto Navajo Tract 138-2
SW/NW Sec 12-T40N-R28E
Apache County
Permit No. 106

Monsanto Navajo #138-3
SW/SE Sec 2-T40N-R28E
Apache County
Permit 115

Dear Mr. Scholl:

We are attempting to compile all time cumulative production reports on all wells that have produced oil and/or gas in the State of Arizona.

It would be appreciated if you would furnish this office individual well production for the above referenced wells from completion date to December 1960. The production reports as submitted by the former operator was on a lease basis only. This office has no way to determine the well production.

Please send us this information at your earliest convenience.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/rlb



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
4515 NORTH 7TH AVE.
PHOENIX, ARIZONA 85013
PHONE: (602) 271-5161

October 15, 1973

Mr. E. M. Scholl
Monsanto Company
101 North Marienfeld
Midland, Texas 79701

Re: Monsanto Navajo Tract 138-1
NE/NE Sec 11-T40N-R2SE
Apache County
Permit No. 77

Monsanto Navajo Tract 138-2
SW/NW Sec 12-T40N-R2SE
Apache County
Permit No. 106

Monsanto Navajo #138-3
SW/SE Sec 2-T40N-R2SE
Apache County
Permit No. 115

Dear Mr. Scholl:

The Gas-Oil Ratio Test that is due on the above referenced wells for September of 1973 has not been received.

Please submit the results of the test on Form 5 as quickly as possible.

Very truly yours,

W. E. Allen, Director
Enforcement Section

Mrs. Rhema Brandt
Sec to W. E. Allen

/rlb

Enc.



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
4515 NORTH 7TH AVE.
PHOENIX, ARIZONA 85013
PHONE: (602) 271-5161

September 18, 1973

Mr. E. M. Scholl
Monsanto Company
101 North Marienfeld
Midland, Texas 79701

Dear Mr. Scholl:

Will you please supply this Commission with any information that you might have regarding the recoverable reserves in the Dry Mesa Field for your Navajo #138-1 (77), Navajo #138-2 (106), and Navajo #138-3 (115)?

This information will be considered confidential if you so desire.

Thank you for your cooperation.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/rlb



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
4515 NORTH 7TH AVE.
PHOENIX, ARIZONA 85013
PHONE: (602) 271-5161

December 27, 1972

Mr. Donnie E. Brown
District Engineer
Monsanto Company
101 North Marienfeld
Midland, Texas 79701

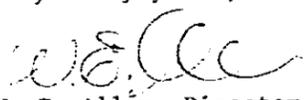
Re: Monsanto Navajo Tract 138-1 Monsanto Navajo Tract 138-2
NE/NE Sec 11-T40N-R28E SW/NW Sec 12-T40N-R28E
Apache County Apache County
Permit No. 77 Permit No. 106

Monsanto Navajo Tract 138-3
SW/SE Sec 2-T40N-R28E
Apache County
Permit No. 115

Dear Mr. Brown:

The Gas-Oil Ratio Test that is due on the above referenced wells for September of 1972 has not been received. Please submit the results of the test on Form 5 as quickly as possible.

Very truly yours,


W. E. Allen, Director
Enforcement Section

WEA/rlb

*Send correspondence to E. M. Scholl
NOT Donnie Brown*

July 22, 1971

Mr. J. Murphy, Jr.
Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Re: Texas Pacific Coal & Oil (Monsanto) Navajo #138-2
SW/4 NW/4 Sec. 12-T40N-R28E
Apache County
Our File #106

Dear Mr. Murphy:

On January 25, 1971, we wrote you requesting submission of a Form 25, Sundry Notices and Reports on Wells, on a semi-annual basis indicating the current status of the above referenced well. The last report we received was dated December, 1970. As of this date we have received no such report for the month of June, 1971; however, your Production Report for that month indicates that this well produced 568 MCF gas. This was probably used to operate equipment on your wells #1 and #3; however, we have no way of knowing. Please submit the above requested form indicating the present status of this well as quickly as possible.

Very truly yours,

W. E. Alien, Director
Enforcement Section

WEA;jd
Enc.

January 25, 1971

Mr. J. Murphy, Jr.
Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Re: Texas Pacific Coal & Oil Navajo Tribe #138-2
SW/4 NE/4 Section 12-T40N-R28E
Apache County
Our File #106

Dear Mr. Murphy:

Your letter of January 20, 1971, regarding the above well brings our file current for the time being. At such time as you produce this well for lease purposes or for any other reason, this office will require a Form 20, Producers Report of Gas Production, to be filed on a monthly basis.

While this well is shut in awaiting market, please submit a Form 25, Sundry Notices and Reports on Wells, on a semi-annual basis indicating the current status of the well.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA:jd
Enc.

Monsanto

HYDROCARBONS & POLYMERS DIVISION

Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203
(303) AComa 2-5641

January 20, 1971

WP
Enforcement Section
Oil & Gas Conservation Commission
State of Arizona
4515 North 7th Avenue
Phoenix, Arizona 85013

Attn: W. E. Allen
Director

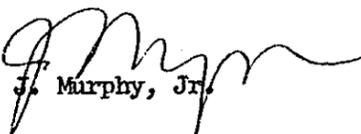
Re: Texas Pacific Coal & Oil Company
Navajo Tract 138-2
SW NW Section 12, T40N, R28E
Apache County, Arizona
Your File #106

Dear Sir:

The above captioned gas well was shut-in August 1969. The last test date was July 1969. We have not as yet found a market for produced gas from this well. We plan, however, to produce as a gas supply for Wells No. 1 & 3.

Please advise if additional information is required.

Yours very truly,


J. Murphy, Jr.

JM:cz

RECEIVED

JAN 22 1971

O & G CONS. COMM.

January 8, 1971

Mr. J. Murphy, Jr.
Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Re: Texas Pacific Coal & Oil Company Navajo Tract 138-2
SW/4 NW/4 Section 12-T40N-R28E
Apache County
Our File #106

Dear Mr. Murphy:

Please refer to our letter dated December 18, 1970, regarding the status of the above well. As of this date we have received no communication from you concerning this well. Will you please advise us immediately the current status of this well.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA:jd

December 18, 1970

Mr. J. Murphy, Jr.
Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Re: Texas Pacific Coal & Oil Company Navajo Tract 138-2
SW/4 NW/4 Section 12-T40N-R28E
Apache County
Our File #106

Dear Mr. Murphy:

Would you please advise us of the present status of the above well. The last communication received from Monsanto concerning this well was Form 4, Well Completion or Recompletion Report, dated August 4, 1969.

Should you desire this well to remain in a temporarily abandoned status, please make a formal request for such status to this office.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA:jd

Monsanto

HYDROCARBONS & POLYMERS DIVISION

Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203
(303) AComa 2-5641

August 19, 1969

Oil & Gas Conservation Commission
State of Arizona
1624 West Adams - Room 202
Phoenix, Arizona 85007

Attn: Mr. James A. Lambert

Re: Monsanto Navajo Tract 138 - 2
T40N, R28E, G & SRM
Sec. 12: SW/4 NW/4
Apache County, Arizona

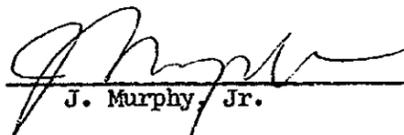
Dear Sir:

Attached as per your request of August 14, 1969 you will find the
Dresser Atlas Gamma-Ray-Neutron Log run on the captioned well.

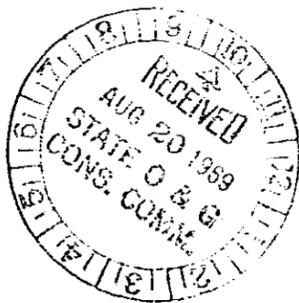
Thank you.

Very truly yours,

MONSANTO COMPANY


J. Murphy, Jr.

JM: jh



106

X- Lambert
V- Chason

August 14, 1969

Mr. J. Murphy
Monsanto Company
Suite 1102 Lincoln Tower Building
Denver, Colorado 80203

Re: Monsanto Navajo Tract 138-2
T40N, R28E, G & SRM
Sec. 12: SW/4 NW/4
Apache County
Permit 106

Dear Mr. Murphy:

The files on the captioned well have been placed
in confidential until January 23, 1970, per your
request.

Please furnish us the Dresser Atlas Gamma-Ray-
Neutron Log run on this well.

Yours truly,

James A. Lambert
Administrative Assistant

jf

Monsanto

HYDROCARBONS & POLYMERS DIVISION

Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203
(303) AComa 2-5641

August 11, 1969

Oil & Gas Conservation Commission
The State of Arizona
1624 W. Adams - Room 202
Phoenix, Arizona 85007

Attention: Mr. James A. Lambert
Administrative Assistant

Re: Monsanto-Navajo 138-2
SW NW Section 12
T40N, R28E, 6 & SEM
Apache County
Permit 106

Gentlemen:

We have previously furnished recompletion and test data on captioned well.

4L
Monsanto Company respectfully requests that this information be kept ~~confidential~~ pending evaluation.

Very truly yours,

MONSANTO COMPANY

J. Murphy
J. Murphy

JM:plm



X-chron
X-lambert

July 31, 1969

Mr. J. Murphy, Jr.
Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Re: Monsanto #138-2 (Texas Pacific)
T40N, R28E, G & SRM
Sec. 12: SW/4 NW/4
Apache County
Permit #106

Dear Mr. Murphy:

We are in receipt of a copy of the sundry notice you submitted to the U.S.G.S. dated July 28, 1969, and also the Form 18, Back Pressure Test. We are enclosing our Form 4, Well Completion Report or Recompletion Report, which should be submitted to this office when the testing is completed. We would also appreciate receiving copies of all forms you submit to the U.S.G.S. concerning the captioned well.

Yours truly,

James A. Lambert
Administrative Assistant

JAL:jf
Enc.

X-Chrono
X-Lambert

July 23, 1969

Mr. J. Murphy, Jr.
Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln ~~Street~~
Denver, Colorado 80203

Re: Monsanto #138-2 (Texas Pacific)
T40N, R28E, G & SRM
Sec. 12: SW/4 NW/4
Apache County
Permit #106

Dear Mr. Murphy:

Our files indicate that you were in telephone communication with Geologist Scurlock on July 18. He indicates that verbal permission was given to Monsanto to flare up to six million cubic feet of gas during the testing period.

We call to your attention that an application to "Re-enter Old Well" dated 6-9-69 was approved by this office on 6-24-69. Please submit our Form 25 reporting your progress on this well. We will accept in lieu of our Form 25 a copy of the Sundry Notices you provide the U.S.G.S.

Yours truly,

James A. Lambert
Administrative Assistant

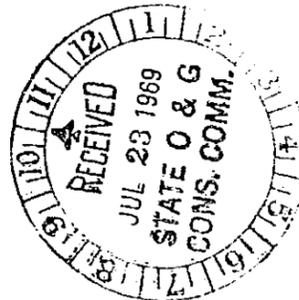
JAL:jf
Enc.

Monsanto

HYDROCARBONS & POLYMERS DIVISION

Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203
(303) ACom 2-5641

July 21, 1969



The State of Arizona
Oil and Gas Conservation Commission
1624 West Adams - Room 202
Phoenix, Arizona 85007

Attention: Mr. Jim Scurlock

Re: Test Period
Navajo 138-2
Apache County, Arizona

Gentlemen:

4⁴ This is to confirm your July 18, 1969, phone conversation with our Mr. Ed Scholl, Monsanto Company, in regard to a gas flare period for captioned well.

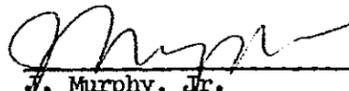
It is our understanding that this request is approved and that we may flare up to 6 million cubic feet during the test period.

We plan to conduct a back pressure test and buildup on a Paradox gas zone.

Confirmation of your verbal approval is requested.

Very truly yours,

MONSANTO COMPANY


J. Murphy, Jr.

JM:rp

X-Cheno
~~X-Lambert~~
X-Lambert

June 24, 1969

Mr. J. Murphy, Jr.
Monsanto Company
Suite 1102
Lincoln Tower Building
1860 Lincoln Street
Denver, Colorado 80203

Re: Texas Pacific 138-2 Navajo
T40N, R28E, G & SRM
Sec. 12: SW/4 NW/4
Apache County
Permit #106

Dear Mr. Murphy:

Enclosed is the approved Application For Permit
To Re-Enter captioned well.

Yours truly,

James A. Lambert
Administrative Assistant

jj

Enc.

X-Lambert
X-Chrono

June 24, 1969

Miss Betsy L. Smith
Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Re: Texas Pacific 138-1 Navajo
T40N, R28E, G & SRM
Sec. 11: NE/4 NE/4
Apache County
Permit #77 X

Texas Pacific 138-2 Navajo
T40N, R28E, G & SRM
Sec. 12: SW/4 NW/4
Apache County
Permit #106 X

Texas Pacific 138-3 Navajo
T40N, R28E, G & SRM
Sec. 2: SW/4 SE/4
Apache County
Permit #115 X

Monsanto #1 Navajo 717
T39N, R29E, G & SRM
Sec. 1: SE/4 SE/4
Apache County
Permit #503 X

Dear Miss Smith:

Enclosed is an approved copy of your state-wide Performance Bond No. 3,286,165. This bond now covers the captioned wells and will cover any future wells you may drill. Thank you for your cooperation.

Yours truly,

James A. Lambert
Administrative Assistant

jj
Enc.

Monsanto

HYDROCARBONS & POLYMERS DIVISION

Monsanto Company
Suite 1102 Lincoln Tower
1880 Lincoln Street
Denver, Colorado 80203
(303) AComs 2-5641

June 19, 1969

Mr. James A. Lambert
Oil and Gas Conservation Commission
State of Arizona
Room 202
1624 West Adams
Phoenix, Arizona 85007

Re: Texas Pacific #138-2 Navajo
SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 12-40N-28E
Apache County
Permit #106

Dear Mr. Lambert:

Pursuant to our previous correspondence we are enclosing copies of designation of operator forms from Joseph E. Seagram & Sons, Inc. and Sun Oil Company which were executed at the time our company assumed operation of the Navajo lease on which the above well is located.

We have not yet received the \$25,000 drilling bond but anticipate its arrival from our insurance department within the next few days.

Very truly yours,

MONSANTO COMPANY

Betsy L. Smith
(Miss) Betsy L. Smith

BLS:glr
Enclosures



106, 77, 115

Monsanto

HYDROCARBONS & POLYMERS DIVISION

Monsanto Company
Suite 1102 Lincoln Tower
1880 Lincoln Street
Denver, Colorado 80203
(303) ACOMA 2-5841

June 6, 1969

Mr. James A. Lambert
Oil and Gas Conservation Commission
State of Arizona
Room 202
1624 West Adams
Phoenix, Arizona 85007

Dear Mr. Lambert:

Since my last telephone conversation with you both packets of forms have arrived in the mail--one to my attention and the second to the attention of E. M. Scholl.

42
There was no problem with your letter of May 22 sent to J. Murphy, Jr.--it was delivered the next day. Pursuant to your later telephone conversation with E. M. Scholl, we are obtaining for you a copy of each of the designation of operator forms filed with the U.S.G.S. in 1964 by Texas Pacific (Seagrams) and Sun. We have also asked our insurance department to secure a \$25,000 drilling bond to cover our operations in Arizona. In accordance with the second paragraph of your letter, our Houston office is mailing you a recent organization report. The application for permit to re-enter the Navajo #138-2 will be handled through Mr. Scholl in our production department.

Very truly yours,

MONSANTO COMPANY

B. J. L.
(Miss) Betsy L. Smith

BLS:plm



X-CHRONO
X-LAMBERT

June 4, 1969

Ms. Betsy Smith
Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Re: Texas Pacific Oil Company Navajo #138-2
T40N, R28E, G & SRM
Sec. 12: SW/4 NW/4
Apache County
Permit #106

Dear Ms. Smith:

On May 22 we sent a letter to Mr. Murphy concerning the captioned well. Check your files on this to see that this letter did not go astray also.

We hope by now you have received both shipments of the forms you requested us to send.

Yours truly,

James A. Lambert
Administrative Assistant

JAL:jf

X - Lambert
X - Chrono

May 22, 1969

Mr. J. Murphy, Jr.
Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Re: Texas Pacific Oil Company Navajo #138-2
T40N, R28E, G & SEM
Sec. 12: SW/4 NW/4
Apache County
Permit #106

77-X
115-X

Dear Mr. Murphy:

The captioned well is covered by a blanket bond wherein the Joseph E. Seagram & Sons, Incorporated, are Principal, and the Travelers Indemnity Company is Surety. We have correspondence indicating that the Texas Pacific Oil Company is covered by this bond. We need a completed form, Designation of Operator, naming Monsanto as operator. We need a statement, Consent of Surety, between the Principal and the Surety covering Monsanto's operations of the lease (Navajo #138).

Our most recent Organization Report concerning the Monsanto Company is dated April, 1965. Please furnish us a current report.

Enclosed are Applications For Permit To Re-Enter. Please complete these forms. On approval of this Application To Re-Enter, you will become subject to Rule 105-D as amended by Commission Order No. 32 effective May 15, 1968, which states (we enclose a copy of the amended Rules and Regulations for your convenience).

Recd 4/10/69

Page 2
Mr. J. Murphy, Jr.
May 22, 1969

Our cursory appraisal of the situation indicates that it will be very easy for you to fulfill this Order No. 32 as there should be no apparent objection to this unorthodox location for a gas well from a nearby operator.

At such time as you wish to re-complete the #138-1 or the #138-3, you should follow the same general procedure. At the present time these two wells are classified as oil wells. 77 115

Yours truly,

James A. Lambert
Administrative Assistant

JAL:jf

Enc.

P. S. The \$25 filing fee is not required with the Permit To Re-Enter.

Monsanto

HYDROCARBONS & POLYMERS DIVISION

Monsanto Company
Suite 1102 Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203
(303) ACome 2-5641

May 21, 1969

Oil & Gas Conservation Commission
State of Arizona
1624 West Adams - Room 202
Phoenix, Arizona 85007

Attention: Mr. John Bannister
Executive Secretary



Re: Recomplete
Monsanto Navajo 138-2
SW NW Sec. 12, T40N, R28E -106
Dry Mesa Field
Apache County, Arizona

Gentlemen:

Monsanto Company respectfully requests permission to recomplete and test the Paradox zone from 5053'-90' in the Navajo 138-2 located 1980' FNL and 660' FWL, Sec. 12, T40N, R28E.

This well was temporarily abandoned in 1962 as an uneconomical Mississippian well. Proposed recompletion is to set a bridge plug above the Mississippian perforations and perforate the Paradox zone. Tests will be conducted to determine gas reserves and flow rates. During this test period, gas will be flared. After the test period gas will be used as lease fuel for the remaining two wells. If reserves are sufficient, attempts will be made to find a market for this gas.

Before commencing this test, we would like to obtain approval for Navajo 138-2 as a permitted gas well. Please advise if this exception to Rule 105 can be administratively granted. If not, please accept this letter as our application for hearing. Attached is a plat of the area.

At a later date, it may be necessary to dually complete wells No. 1 & 3, if reserves warrant. Monsanto Company would also request, at this time, that these wells be permitted gas well locations with 640 acres dedicated to each well.

See Rule 105D

-17-115

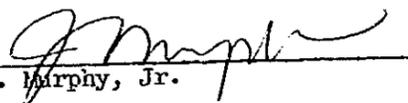
Oil & Gas Conservation Commission
State of Arizona
Page 2
May 21, 1969



Attached is a Form 9, which we are submitting to the USGS. Please send us a supply of Form 25.

↓
5-22-69

Very truly yours,
MONSANTO COMPANY


J. Murphy, Jr.

JM:rp

Attachments

cc: Attn: Mr. P. T. McGrath
U.S. Geological Survey
P. O. Box 959
Farmington, New Mexico

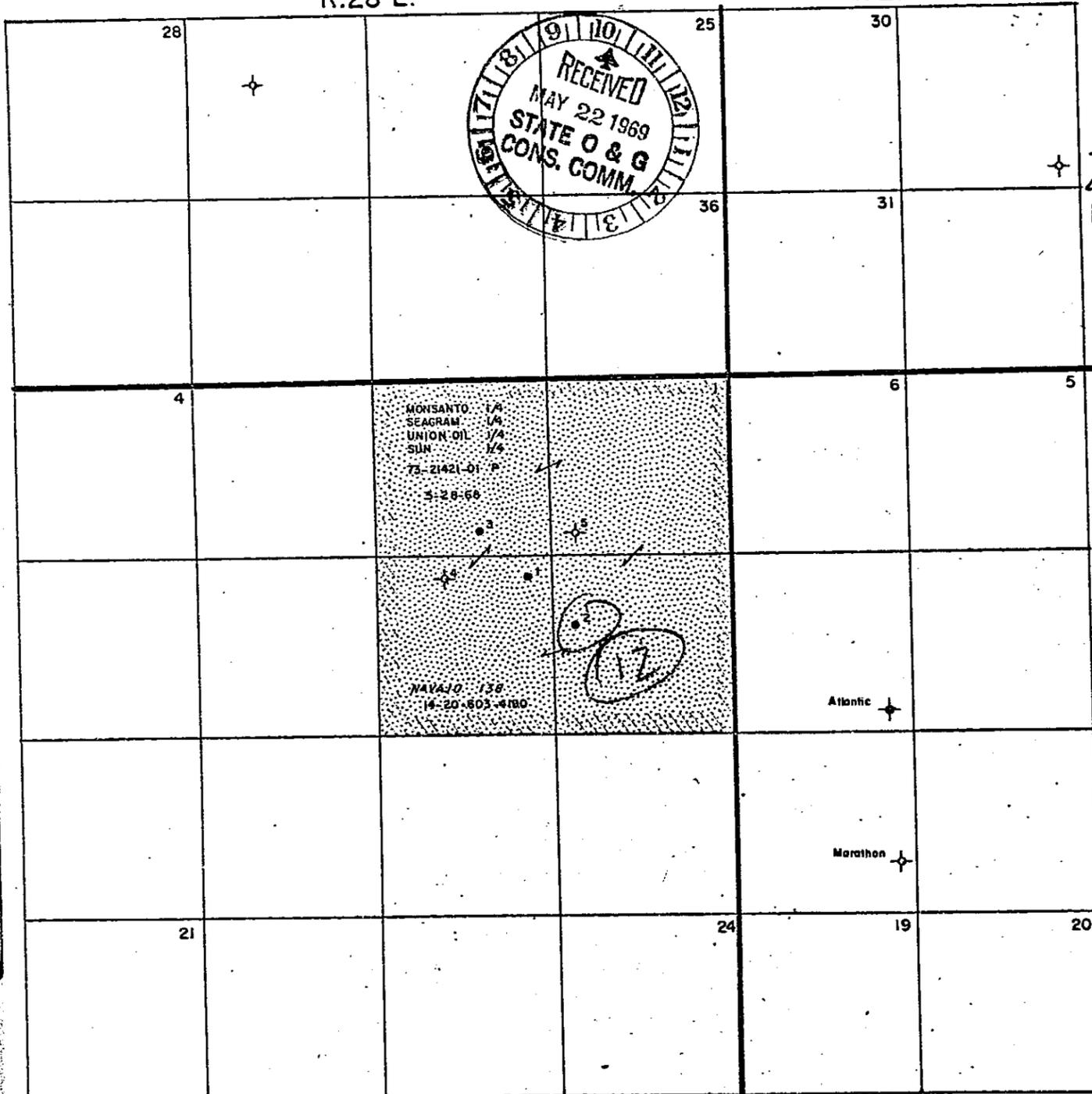
Form No. 7XL5

MONSANTO COMPANY

Region 03	District DENVER
State ARIZONA	
County APACHE	
Field Dry Mesa	
Date 5-21-69	Scale 1"=4000'

R. 28 E.

R. 29 E.



106

Operator Texas Pacific Oil Company

Bond Company The Travelers Indemnity Company Amount \$10,000

Bond No. 1230121 Date Approved 10-9-64

Permits covered by this bond:

77

95

106

115

116

see this file

CANCELLED

DATE 11-29-65

November 29, 1965

Texas Pacific Oil Company
P.O. Box 747
Dallas Texas 75221

Attention: Mr. Raymond Church

Re: The Travelers Indemnity Company Bond 1307271
The Travelers Indemnity Company Bond 1230121

Gentlemen:

Enclosed is an approved copy of The Travelers Indemnity Company Bond 1307271.

Inasmuch as this above bond is now in full force and effect, this letter will constitute authority from this Commission to terminate The Travelers Indemnity Company Bond 1230121.

Your cooperation is very much appreciated.

Very truly yours,

John Bannister
Executive Secretary
mr
enc

cc:
The Travelers Indemnity Company
2200 W. Central Avenue
Phoenix, Arizona 85004

May 10, 1965

Monsanto Company
900 Patterson Building
Denver, Colorado 80202

Attention: Mr. J. Murphy, Jr.

Re: Texas Pacific Coal & Oil Navajo 138-2 well
SW/4NW/4, S12-T40N-R28E, Apache County, Arizona
Permit to Drill 106

Gentlemen:

Pursuant to your request in your letter of April 27, 1965, approval is hereby granted to continue the status of the captioned well in a temporarily abandoned state.

At such time that you desire to re-enter this well to re-complete it, it will be necessary of course to make appropriate application. Should it be decided to abandon it, it should be plugged and this Commission should receive a copy of the Plugging Record.

Yours very truly,

John Bannister
Executive Secretary

jrs/mr

106

Monsanto
C O M P A N Y

HYDROCARBONS DIVISION

900 Patterson Building
Denver, Colorado 80202
(303) AComa 2-5641

April 27, 1965

Oil and Gas Conservation Commission
1624 West Adams
Phoenix, Arizona 85007

Attention: Mr. J. R. Scurlock

Re; Navajo 138-2 Well
SW NW Sec. 12-40N-28E
Dry Mesa Field, Apache County,
Arizona, Permit to drill 106.

Gentlemen:

We refer to the captioned well, your letter dated April 9, 1965, to Texas Pacific Oil Company and a telephone conversation today between Joe Larkin of this office and J. R. Scurlock.

As you know, the well began producing 100% formation water and was shut-in during December 1961. All casing remains in place. Texas Pacific was the former operator. Monsanto Company assumed operations August 1, 1964.

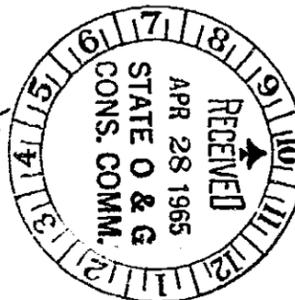
A continuation of the present Temporarily Abandoned status is requested pending further study of remedial work or recompletion possibilities.

Your request for our submittal of an up-to-date Organization Report has been referred to our Division Office in Houston, Texas. You should expect to receive the report in the near future. Please advise if we may supply any needed additional information.

Very truly yours,

MONSANTO COMPANY

J. Murphy, Jr.
J. Murphy, Jr.



JM:JAL:rp

106

TEXAS PACIFIC OIL COMPANY
BOX 747
DALLAS, TEXAS 75221

RIVERSIDE 1-5933

2700 FIDELITY UNION TOWER BLDG.

April 15, 1965

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

Attention: Mr. J.R. Scurlock

Gentlemen:

Enclosed please find a copy of our letter to Monsanto Company advising them of your request of April 9, 1965, for action to be taken on Navajo 138-2 well located in the SW/4NW/4, S12-T40N-R28E, Apache County, Arizona.

As you will note, the Monsanto Company assumed the operation of this property, effective August 1, 1964, accepting all duties and responsibilities as operator of this lease.

We trust that this method of handling your request is satisfactory; however, if additional action is required by Texas Pacific Oil Company, successor to Texas Pacific Coal and Oil Company, please advise.

Very truly yours,

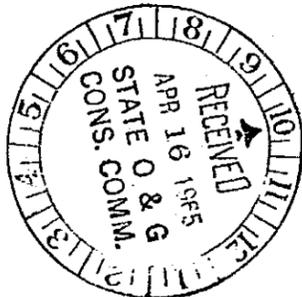
TEXAS PACIFIC OIL COMPANY

L. B. Jeffers
L. B. Jeffers, Manager
Outside Operations

LBJ:lc

Enclosure

cc: Monsanto Company
900 Patterson Bldg.
Denver, 2, Colorado



TEXAS PACIFIC OIL COMPANY
BOX 747
DALLAS, TEXAS 75221

RIVERSIDE 1-5935

2700 FIDELITY UNION TOWER BLDG.

April 14, 1965

Monsanto Company
900 Patterson Building
Denver 2, Colorado

Attention: Production Department

C

Gentlemen:

Texas Pacific Oil Company, former operator of our jointly owned Navajo 138 Tract, Apache County, Arizona, has received the attached letter and forms from the office of Oil and Gas Conservation Commission of the State of Arizona.

O

You will note that this letter was addressed to our Mr. H. Clayton May, Attorney, and a copy of his reply is enclosed for your information. You will note that Mr. May was apparently attempting to satisfy the request of the Commission and failed to take into account the fact that our company no longer operates this property.

P

In reviewing our files, we find that Monsanto Company became operator of the jointly owned lease under consideration as of August 1, 1964. In view of the fact that you are now the operator, it appears that the correspondence enclosed should properly have been directed to your attention for handling to the satisfaction of the Arizona Oil and Gas Conservation Commission.

Y

By copy of this letter, we are notifying the Oil and Gas Conservation Commission of our action in this matter.

Very truly yours,

TEXAS PACIFIC OIL COMPANY

ORIGINAL SIGNED BY
L. B. JEFFERS

L. B. Jeffers, Manager
Outside Operations

LEJ:bp

Enclosure

cc: Oil and Gas Conservation Commission, Arizona

106

TX
TEXAS PACIFIC OIL COMPANY
BOX 747
DALLAS, TEXAS 75221

April 13, 1965

RIVERSIDE 1-5933

2700 FIDELITY UNION TOWER BLDG.

Oil and Gas Conservation Commission
of the State of Arizona
Room 202
1624 West Adams
Phoenix, Arizona 85007

Attention: Mr. John Bannister,
Executive Secretary

Gentlemen:

Reference is made to your letters dated March 15, 1965 and April 9, 1965 wherein you requested that we furnish to you a current "Organization Report" for this company. In compliance with your request, we are enclosing herewith such "Organization Report" which we trust will be suitable for your purposes.

We have this date requested our Production Department to furnish you the additional information pertaining to our Navajo 138-2 Well requested in your above mentioned letter of April 9, 1965, and you should receive such information at an early date.

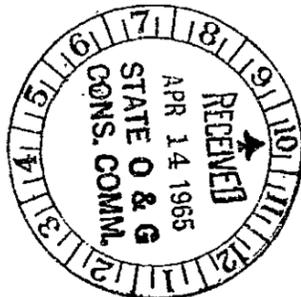
Your cooperation and assistance in this matter is sincerely appreciated.

Yours very truly,

TEXAS PACIFIC OIL COMPANY

H. Clayton May
H. Clayton May
Attorney

HCM:sp
encls.
cc: Mr. Sam Shakely



April 9, 1965

Texas Pacific Oil Company
P.O. Box 747
Dallas, Texas 75221

Attention: Mr. N. Clayton May, Attorney

Re: Texas Pacific Coal & Oil Co. Navajo 138-2 well
SW/4NW/4, S12-T40N-R28E, Apache County, Arizona
Permit to Drill 106

Gentlemen:

Our letter of March 15, 1965 requested a current organization report. To date this has not been received.

In addition we would like to have from you a statement of your intention regarding the captioned well. As you know, Arizona's Regulations require that when operations have been suspended on a well for more than 60 days, the well must be plugged unless permission is granted by this Commission to do otherwise.

If you desire to abandon this well temporarily, or perhaps turn it over to the Navajo Tribe as a water well, or attempt re-completion, whatever your intention, please notify this office. Otherwise we will be forced to go against your bond to have the well plugged.

Enclosed are proper plugging forms which should be completed and returned.

If there are any questions, please advise.

Yours very truly,

J.R. Scurlock,
Petroleum Geologist

106
mr
enc

March 15, 1965

Texas Pacific Oil Company
P.O. Box 747
Dallas, Texas 75221

Attention: Mr. N. Clayton May, Attorney

Gentlemen:

Our files reflect that Texas Pacific Coal & Oil Company was liquidated effective November 1, 1963, and the assets were purchased by Texas Pacific Oil Company, an operating division of Joseph E. Seagram & Sons, Inc.

In order that our well records be accurate and current, in accordance with Arizona Statutes, it is requested that the enclosed form, Organization Report, be completed and returned to this office.

Thank you very much for your cooperation.

Yours very truly,

John Bannister
Executive Secretary

BT

Files: 77-95-166-115-116

October 9, 1964

Texas Pacific Oil Company
P.O. Box 747
Dallas, Texas 75221

Attention: Mr. H. Clayton May

Re: Oil and Gas Bond No. SY 281201

Gentlemen:

We are in receipt of your letter of October 8, 1964 whereby Travelers Indemnity Company's Bond 1230121 was enclosed and is to replace the captioned bond.

This letter will constitute authority to cancel Bond SY-281201.

We appreciate your cooperation in this matter, and if we may be of further service, please advise.

Yours very truly,

John Bannister
Executive Secretary

nr

enc: 2 approved copies Form 2, Bond

cc to File 77, 95, 106, 115, 116

Travelers Indemnity Company's Bond 1230121 is issued to the Principal, Joseph E. Seagram & Sons, Inc. Texas Pacific Oil Company is a subsidiary of Seagram and their wells are covered by this bond. This bond replaces SY-281201 which was issued to Texas Pacific Coal and Gas Oil Company. This latter company is now consolidated into Texas Pacific Company.

106

TEXAS PACIFIC OIL COMPANY

BOX 747

DALLAS, TEXAS 75202

October 8, 1964

RIVERHEAD 1-0000

8700 FIDELITY UNION TOWER BLDG.

Oil and Gas Conservation Commission
State of Arizona
1604 West Adams
Phoenix, Arizona 85007

Attn: Mr. John Bannister
Executive Secretary

Re: Oil and Gas Bond No. SY-831201
Replacement Bond No. 1230121

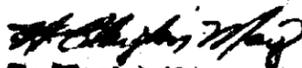
Gentlemen:

Reference is made to your letter dated August 26, 1964, concerning the release of Bond No. SY-831201 now in effect under the name of Texas Pacific Coal and Oil Company.

We are enclosing herewith in triplicate, the Travelers Indemnity Company's Bond No. 1230121 in the amount of \$10,000.00 covering, as principal, Joseph E. Sangren & Sons, Inc., whose operating division is Texas Pacific Oil Company. It is our understanding that you will now be in a position to release Bond No. SY-831201, as requested by Texas Pacific Coal and Oil Company.

Your cooperation in this matter will be sincerely appreciated.

Very truly yours,


H. Clayton May
Attorney

HCM:sp
encl.

cc: Mr. G. W. Dodgen, Jr.
Mr. Ray Mitchell
Mr. Jess Norman
§ Texas Pacific Coal and Oil Company
Fort Worth Office

90

77, 95, 106, 115, 116



September 17, 1964

The Employers' Group of Insurance Companies
212 N. St. Paul
Dallas 1, Texas

Attention: Mr. Bruce Harris, Bond Department

Re: SY-281201
Texas Pacific Coal and Oil Co.
\$10,000 Blanket Bond

Gentlemen:

In reply to your letter of September 14, 1964 concerning the captioned bond please be advised that this office has not yet received a bond on behalf of Texas Pacific Oil Company and consequently the bond in question cannot be released at this time.

Yours very truly,

John Barnister
Executive Secretary

nr

Permit 77
93
106
115
116

106
Ltr of Sep. 14, 1964 included in File 77

██████████

August 26, 1964

VIA AIR MAIL

Mr. Miles Hart
Texas Pacific Oil Company
P. O. Box 2110
Fort Worth, Texas

Dear Mr. Hart:

Enclosed are the bond forms you requested in telephone conversation today with this office.

Upon receipt of proper bond showing your company as principal, this Commission will then be in a position to release Bond No. SY-281201 now in effect under the name of Texas Pacific Coal & Oil Company covering the following wells:

Navajo Tribal 138-1	Permit No. 77
Navajo Tribal 138-2	Permit No. 106
Navajo Tribal 138-3	Permit No. 115
Navajo Tribal 138-4	Permit No. 116
Navajo Tribal 190-1	Permit No. 95

We appreciate your prompt cooperation.

Very truly yours,

John Bonister
Executive Secretary

JR/mke
Encl.

File: 77
106
115
116
95
Bond File

106

August 20, 1964

The Employers' Group of Insurance Companies
212 W. St. Paul
Dallas 1, Texas

Attn: Miss C. Hall, Bond Department

Re: Texas Pacific Coal & Oil Co.
\$10,000 blanket bond SY 281201

Gentlemen:

We are in receipt of your letter of August 17, 1964 requesting release of the captioned bond.

Please be advised that this bond may not be released at this time inasmuch as this bond does cover producing wells.

At such time as Texas Pacific Oil Company, which you advise is to be successor to Texas Pacific Coal and Oil Co., furnishes us with a substitute bond, then may the captioned bond be released.

Currently the below listed wells are covered by the bond in question:

Navajo Tribal	138-1	Permit 77
Navajo Tribal	138-2	106
Navajo Tribal	138-3	115
Navajo Tribal	138-4	116
Navajo Tribal	190-1	93

If we may be of any further help, please advise.

Yours very truly,

John Bannister
Executive Secretary

JK

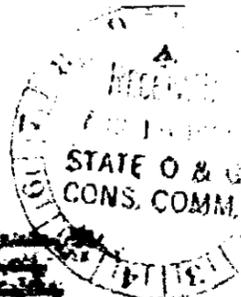
cc: Texas Pacific Coal and Oil Co.
P.O. Box 2110
Fort Worth 1, Texas

106

The Employers' Group
OF INSURANCE COMPANIES

SOUTHWESTERN BRANCH
DONNY J. GIBSON, MANAGER
212 N. ST. PAUL, DALLAS 7, TEXAS

The Employers' Group, Inc. is a member of the
American Insurance Association, Inc.
The Employers' Group, Inc. is a member of the
National Association of Insurance Commissioners
The Employers' Group, Inc. is a member of the
Texas Insurance Guaranty Association



State Land Commissioner
State of Arizona
Phoenix, Arizona

August 17, 1964

RE: SY-261201 - TEXAS PACIFIC COAL & OIL COMPANY
\$10,000.00 BLANKET OIL & GAS LEASE BOND
COVERING ALL LANDS LEASED TO PRINCIPAL WITHIN
THE STATE OF ARIZONA

Gentlemen:

Your records will reflect that we are the Surety insuring the captioned bond executed effective on or about August 16, 1959. The Texas Pacific Coal & Oil Company have requested that we cancel this bond inasmuch as the company was liquidated effective November 1, 1963, and the company purchasing the assets is known as Texas Pacific Oil Company.

Such being the case, we would like to close our file and would appreciate your sending direct to this office a letter of release giving us the date our liability may be terminated.

Thank you in advance for your kind assistance in this matter.

Yours very truly,

Walter C. Hall
Bond Department

CH:ja
cc: The Effects Company
Fort Worth, Texas



EMPLOYERS' GROUP

106

August 1, 1960

Texas Pacific Coal & Oil Co.
P. O. Box 2110
Fort Worth, Texas

Attention: Mr. D. A. Bonney
Manager of Production

Dear Mr. Bonney:

We return herewith approved copies of our Form 57, the Producers Certificate of Compliance, for your #2 and #3 wells, Navajo Tract 138, Apache County, Arizona.

Thank you very much.

Yours very truly,

W. F. Maule
Petroleum Engineer

WFM/ew
Enclosures

106

August 1, 1960

McWood Corporation
P. O. Box 1702
Farmington, New Mexico

Gentlemen:

We enclose approved copies of the Texas Pacific Coal and Oil Company's Certificate of Compliance and Authorization to Transport Oil on their #138-2 and 138-3 Navajo Tract, Apache County, Arizona, which is your authorization to transport the oil from these wells.

Yours truly,

W. F. Maule
Petroleum Engineer

WFM/ew
Encs.

2101 Summit Dr.
Farmington, New Mexico
July 14, 1960



Mr. W. F. Maule
Petroleum Engineer
Oil and Gas Conservation Commission
3500 N. Central - Suite 312
Phoenix, Arizona

Dear Mr. Maule:

In reply to your letter dated July 6, 1960 we are returning the Potential Test and Request for Allowable on our Navajo Tract 138 Well No. 2, Apache County, Arizona with signature of a witness.

Yours very truly,

R. E. Kenney

R. E. Kenney
Production Superintendent
Texas Pacific Coal and Oil Company

Arizona Oil & Gas Commission



July 7, 1960

Mr. G. E. Jacober
Texas Pacific Coal and Oil Co.
1110 Mile High Center
1700 Broadway
Denver 2, Colorado

Dear Mr. Jacober:

Reply is made to your letter of June 30 requesting advice and guidance in disposing of saline waters from producing oil wells in northeastern Arizona. I am sure you realize that our office has nothing to do with the administration of the water and oil and gas resources of Arizona. It is our understanding that the Arizona Oil and Gas Conservation Commission, 3500 N. Central Ave., Phoenix, Ariz., is the agency to contact in obtaining permission to dispose of oil field waste and that the State Land Department also is interested in conserving and protecting the fresh-water aquifers. Copies of this letter are being sent to these State agencies. The following information is taken from open-file records of water wells and springs in the area in question. These records are available for inspection in our office should you or someone from your company wish to examine them.

I believe two of the producing oil wells are in secs. 11 and 12 respectively of T. 12 N., R. 28 E. Our records show that a number of fresh-water springs issue from the Salt Wash member of the Morrison formation less than 2 miles southeast of the oil wells. Three water wells yield satisfactory supplies from the Navajo sandstone in the vicinity of the oil wells as follows: (9B-17) about 4 miles NNW a well 525 feet deep and top of Navajo picked at 390 feet; (9Y-10) about 9½ miles NW a well 603 feet deep and top of Navajo picked at 475 feet; (9K-216) about 5½ miles SW a well 700 feet deep and top of Navajo picked at 580 feet. Apparently salty water in the Entrada formation was cemented off before drilling on into the relatively fresh water in the Navajo sandstone in each of these wells. Unfortunately we have no record of water in the Shinarump or DeChelly (Coconino) in that area except the electric log you sent to us which suggests salty water in those horizons. The log also suggests no water or salty water in the Navajo at that location but water wells utilize water from the Navajo down dip in both directions.

I think it is evident that injection of salt water under pressure into the Navajo sandstone might contaminate relatively fresh water now being used on the reservation and that injection at greater depths

would be much safer. The Shinarump and DeChelly probably are hydrologically connected in this area and the DeChelly is silty and less permeable than the Shinarump.

Very truly yours,

P. Eldon Dennis
District Geologist

July 6, 1960

Mr. G. E. Jacober
Texas-Pacific Coal and Oil Co.
1700 Broadway
Denver 2, Colorado

Dear Mr. Jacober:

We have received the Potential Test and Request for Allowable form from Mr. Bonney in your Fort Worth Office. We are returning these forms to you for signature of a witness.

Inasmuch as at this time there is no prorationing in Arizona, your allowable shall be that amount of oil which your well can produce without committing waste.

We sincerely hope your No. 3 and No. 4 Wells are successful.

Yours very truly,

W. F. Maule
Petroleum Engineer

WFM/ow
Enclosures (2)

TEXAS PACIFIC COAL AND OIL COMPANY

GENERAL OFFICES
FORT WORTH 1
TEXAS
June 30, 1960

Oil and Gas Conservation Commission
State of Arizona
3500 North Central - Suite 312
Phoenix, Arizona

RE: Texas Pacific Coal and Oil Company
Navajo Tract 138 Well No. 2, Section
12, 40-N, 28-E, GS & RM Drilling
Permit No. 106

Gentlemen:

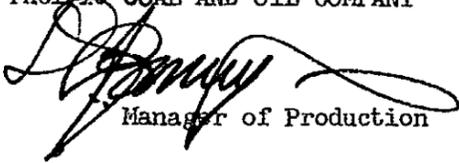
Enclosed herewith are the following listed forms and reports
for completion of the above well:

1. Form P-6, Potential Test
2. Form P-7, Well Log
3. Form P-9, Well Status Report
4. Form P-12, Reservoir Pressure Report
5. Location Plat
6. Log of Cores and Drill Stem Tests

Copies of all Logs and Surveys have already been furnished by
our Denver, Colorado office.

Yours very truly,

TEXAS PACIFIC COAL AND OIL COMPANY
By


Manager of Production

DAB:D:djt
Enc.

May 11, 1960

Mr. G. E. Jacober
Texas Pacific Coal & Oil Company
1700 Broadway
Denver 2, Colorado

Re: Texas Pacific #2 Navajo 138
12-40N-28E, Apache County,
Arizona

Dear Mr. Jacober:

We have this date received a copy of the IE
and GEM Log of the above named well.

Good luck on the new tests.

Very truly yours,

W. F. Maule
Petr. Engr.

WFM:gh

TEXAS PACIFIC COAL AND OIL COMPANY

GENERAL OFFICES
FORT WORTH 1
TEXAS

May 2, 1960

PLEASE ADDRESS REPLY TO COMPANY AT
1110 MILE HIGH CENTER
1700 BROADWAY
DENVER 2, COLORADO

State Land Commissioner
Arizona State Land Department
Phoenix, Arizona

Re: Texas Pacific #2 Navajo 138
12-40N-28E, Apache County, Arizona

Dear Sir:

Enclosed for your files is a copy of the Induction-Electrical log
and the Gamma Ray-Neutron log on the above well.

Very truly yours,

TEXAS PACIFIC COAL AND OIL COMPANY

G. E. Jacober
G. E. Jacober

GEJ:d'a

Encls 2

6113



February 10, 1960

Texas Pacific Coal & Oil Company
P. O. Box 2110
Fort Worth 1, Texas

RE: Texas Pacific Coal & Oil Company
Navajo Tract #138
Sec. 12, 40 N. 28 E. GS&RM
Drilling Permit No. 106

Gentlemen:

Enclosed herewith is your Application for Permit
to Drill your above well, duly approved by the
Commission.

Also enclosed is our receipt, in the amount of
twenty-five dollars (\$25.00), covering the
drilling permit fee, for which we thank you..

If we can be of further assistance, kindly advise.

Yours very truly,

William F. Maule,
Petroleum Engineer

WFM:mmr

Enclosure:

TEXAS PACIFIC COAL AND OIL COMPANY

GENERAL OFFICES
FORT WORTH 1
TEXAS
February 2, 1960

Oil and Gas Conservation Commission
State of Arizona
3500 North Central Avenue, Suite 312
Phoenix, Arizona

Gentlemen:

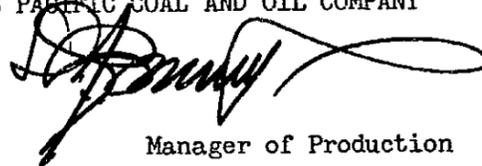
We are filing herewith Form P-1, Application for Permit to Drill, a well to be known as Navajo Tract 138, well number 2, Apache County, Arizona; and our Check No. 437720 to cover filing fee.

We have on file a Blanket Bond in the amount of 10,000.00.

If anything further is needed, please advise.

Yours very truly,

TEXAS PACIFIC COAL AND OIL COMPANY
By



Manager of Production

DAB:D:djt
Enc.