

Crest Oil Co 1 Santa Fe 112
NE/4-SW/4 Sec 19-20N-R27E
Apache County

P-W

County Apache

Area Pinta Dome

Lease No. Santa Fe Fee

Well Name Crest Oil Company / Santa Fe

Location NE SW Sec 19 Twp 20N Range 27E Footage 1980 FSL; 1868 FWL
LS Spud Complete Total
Elev 5657 Gr 5662 KB Date 3-14-60 Abandon 3-21-60 Depth 1226

Contractor: _____ Approx. Cost \$ _____

Drilled by Rotary Cable Tool _____

Casing Size _____ Depth _____ Cement _____

Production Horizon _____

Initial Production P & A

REMARKS: shot test

Elec. Logs Elec log:
Applic Plugging Completion
to Plub Record Report _____

Sample Log _____
Sample Descript _____
Sample Set T-1171 P-602
Cores _____

Water well - accepted by _____

Bond Co. & No. Maryland Casualty Company 92-676-130

Bond Am't \$ 2,500 Cancelled 1-23-61 Date _____ Organization Report

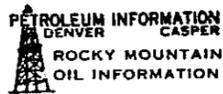
Filing Receipt 9218 dated 3-1-60 Well Book Plat Book

API# 02-001-05296 Loc. Plat Dedication All 19-20N-27E

Sample 602

PERMIT NO. 112 Date Issued 3-1-60

ARIZONA
APACHE COUNTY
WILDCAT (W)



Twp 20n-27e
Section 19
ne sw
1980 n/s 1868 e/w

OPR: Crest Oil Co.	WELL #: 1 Santa Fe		
ELEV: 5659 KB. 5657 64	DSTS. & CORES: Crd 1083-1105, rec 22 sd. Crd 1105-25, rec 20 sh. Crd 1180-1202, rec 22, 19 1/2 sh, 2 1/2 sd, fine. Crd 1202-1212 1/2, rec 6 1/2 sd, fine. Crd 1212 1/2-26, rec 10 1/2 sd, fine. DST 1199 1/2-1212 1/2, open 6 hrs 19 min, 460 sli MC salt wtr, FP 68-180#, SIP (1 hr) 180#, HP 590#.	SPUD: 3-14-60	COMPL: 3-21-60
*TOPS: Log-Samples		TD: 1226	PB:
Chinle 200 Shinarump Conglomerate 1031 Moenkopi 1072 Coconino 1196		CSG: 8-5/8" @ 87 w/50	
		PERF:	
		PROD. ZONE:	
		INIT. PROD:	

D & A.

PLUGGING RECORD

Operator CREST OIL COMPANY		Address P. O. Box 57, Alton, Illinois	
Name of Lease Santa Fe	Well No. 1	Field & Reservoir Wildcat	
Location of Well 1980' N of S Line & 1868' E of W Line		Sec-Twp-Rge or Block & Survey 19-20N-27E	County Apache
Application to drill this well was filed in name of Crest Oil Company	Has this well ever produced oil or gas No	Character of well at completion (Initial production): Oil (bbls/day) Gas (MCF/day) Dry? X	
Date plugged: March 21, 1960	Total depth 1226'	Amount well producing when plugged: Oil (bbls/day) Gas (MCF/day) Water (bbls./day)	
Name of each formation containing oil or gas. Indicate which formation open to well-bore at time of plugging	Fluid content of each formation	Depth interval of each formation	Size, kind & depth of plugs used Indicate zones squeeze cemented, giving amount cement.
			0 - 15
Coconino	Water	1183 - 1226	1180 - 1226

CASING RECORD

Size pipe	Put in well (ft.)	Pulled out (ft.)	Left in well (ft.)	Give depth and method of parting casing (shot, ripped etc)	Packers and shoes

Was well filled with mud-laden fluid, according to regulations? Yes	Indicate deepest formation containing fresh water. Sonsela
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NAMES AND ADDRESSES OF ADJACENT LEASE OPERATORS OR OWNERS OF THE SURFACE

Name	Address	Direction from this well:
J. G. Brown	Midland, Texas	East - South
Townsend Oil	Phoenix, Arizona	North - West
R. C. Spurlock	Navajo, Arizona	Surface

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

Use reverse side for additional detail
File this form in duplicate with the State of Arizona Oil & Gas Conservation Commission

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Owner of the Crest 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.

March 23, 1960
Date

Signature *C. F. ...*

**STATE OF ARIZONA OIL & GAS
CONSERVATION COMMISSION**

Plugging Record File two copies
Form No. P-15
Authorized by Order No. 4-6-59
Effective April 6, 1959

1124



APPLICATION TO ABANDON AND PLUG

FIELD Wildcat
 OPERATOR Crest Oil Company ADDRESS P. O. Box 57, Alton, Illinois
 LEASE Santa Fe WELL NO. #1 COUNTY Apache
 SURVEY _____ SECTION 19, T20N, R27E DRILLING PERMIT NO. 112
 LOCATION 1980' N of S line & 1868' E of W line
Section 19, T20N, R27E
 TYPE OF WELL Dry TOTAL DEPTH 1226'
(Oil, Gas or Dry Hole)
 ALLOWABLE (If Assigned) _____
 LAST PRODUCTION TEST OIL _____ (Bbls.) WATER _____ (Bbls.)
 GAS _____ (MCF) DATE OF TEST _____
 PRODUCING HORIZON _____ PRODUCING FROM _____ TO _____

1. COMPLETE CASING RECORD _____

2. FULL DETAILS OF PROPOSED PLAN OF WORK In accordance with the rules and regulations,
Operator will plug surface, set appropriate water plugs opposite and below surface water
sands and a ceiling plug in and above the Coconino sand.
0 - 15', 230 - 280', 1180 - 1226'.

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

DATE COMMENCING OPERATIONS March 21, 1960
 NAME OF PERSON DOING WORK Halliburton ADDRESS Farmington, New Mexico
 CORRESPONDENCE SHOULD BE SENT TO Crest Oil Company, Alton, Illinois

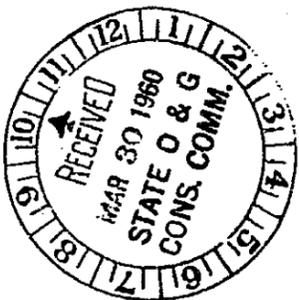
NAME C. F. Swain / Judith Stewart

TITLE Head

Date Approved 8/9/60

W. M. ...
 STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 Application to Abandon and Plug
 Form No. 15A File 2 Copies
 Authorized by Order No. 4-6-59
 Effective April 6, 1959



APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

APPLICATION TO DRILL DEEPEN PLUG BACK

NAME OF COMPANY OR OPERATOR **CREST OIL COMPANY** DATE **February 9, 1960**

Address **P. O. Box 57** City **Alton** State **Illinois**

DESCRIPTION OF WELL AND LEASE

Name of lease **Santa Fe** Well number **No. 1** Elevation (ground) **5656.8' Est.**

Well location **1980' N of S line & 1868' E of W line** Section—township—range or block & survey **19 20N 27E**

Field & reservoir (If wildcat, so state) **Wildcat** County **Apache**

Distance, in miles, and direction from nearest town or post office **Two miles from Navajo, Arizona**

Nearest distance from proposed location to property or lease line: **Estimated 2000** feet Distance from proposed location to nearest drilling, completed or applied—for well on the same lease: **None** feet

Proposed depth: **1100 feet** Rotary or cable tools **Rotary** Approx. date work will start **March 7, 1960**

Number of acres in lease: **3840.00** Number of wells on lease, including this well, completed in or drilling to this reservoir: **None**

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

Status of bond **Individual Bond No. 92-676130 \$2,500.00**

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)

This location application is for a STRATIGRAPHIC CORE HOLE TEST and is filed as a courtesy of Crest Oil Company for the Oil & Gas Conservation Commission and its files.

* Fill in Proposed Casing Program on other side

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the **Owner** of the **Crest 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 **February 9, 1960** Signature **C. F. Swain**

Permit Number: **# 105 112**
 Approval Date: **March 1, 1960**
 Approved By: *[Signature]*
 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, 19 59**

1127

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.

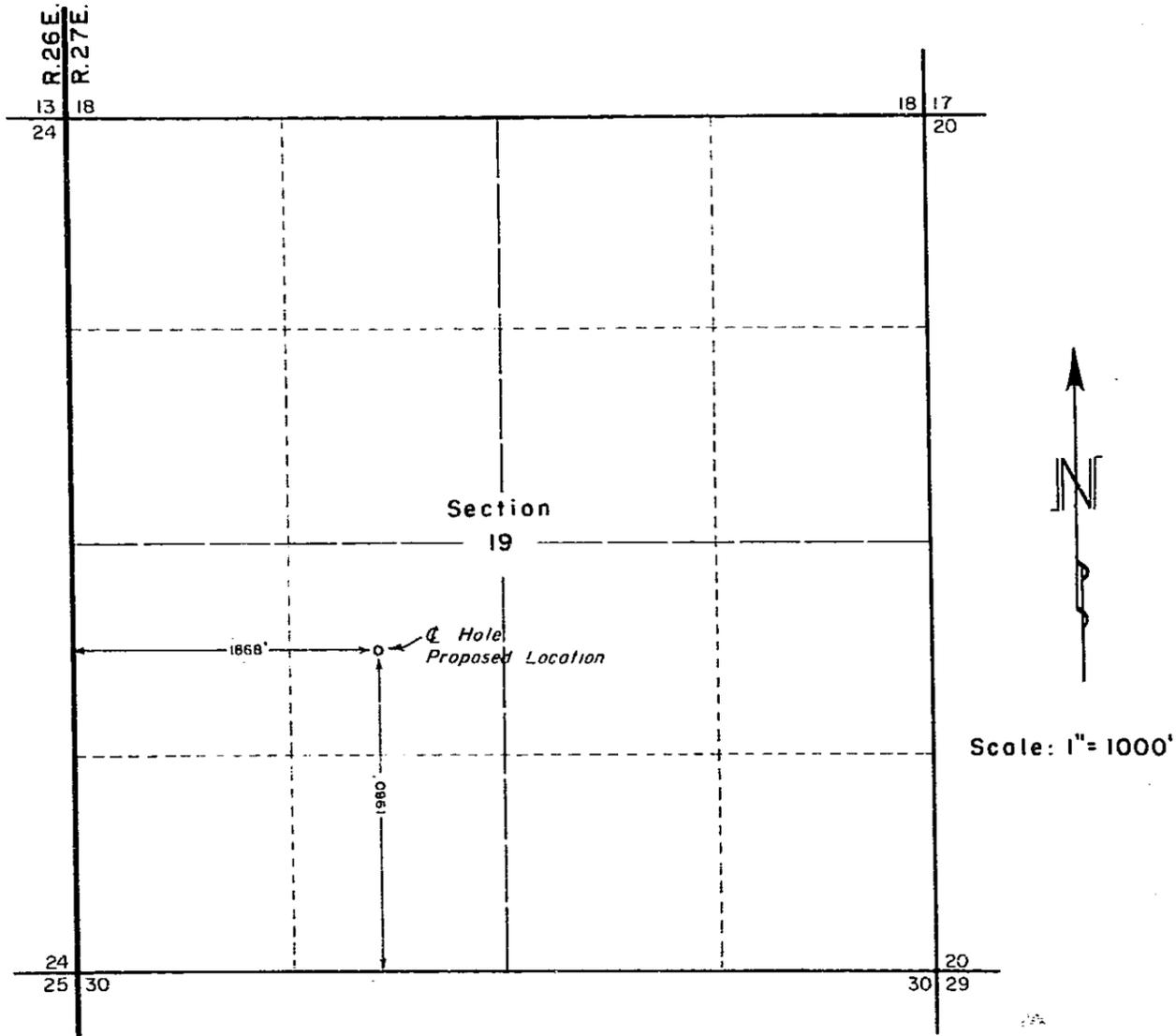
PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement
XXX			XXX.	XXXX		XXX
XXXXXX				XXX.		XXX

Form No. P-1



CERTIFICATE OF SURVEY



WELL LOCATION: Crest Oil Co. — Santa Fe No. 1

Located 1868 feet East of the West line and 1980 feet North of the South line of Section 19,
Township 20 North, Range 27 East, Gila & Salt River Meridian.

Existing ground elevation determined at 5656.8 feet based on Arizona State Highway Datum.

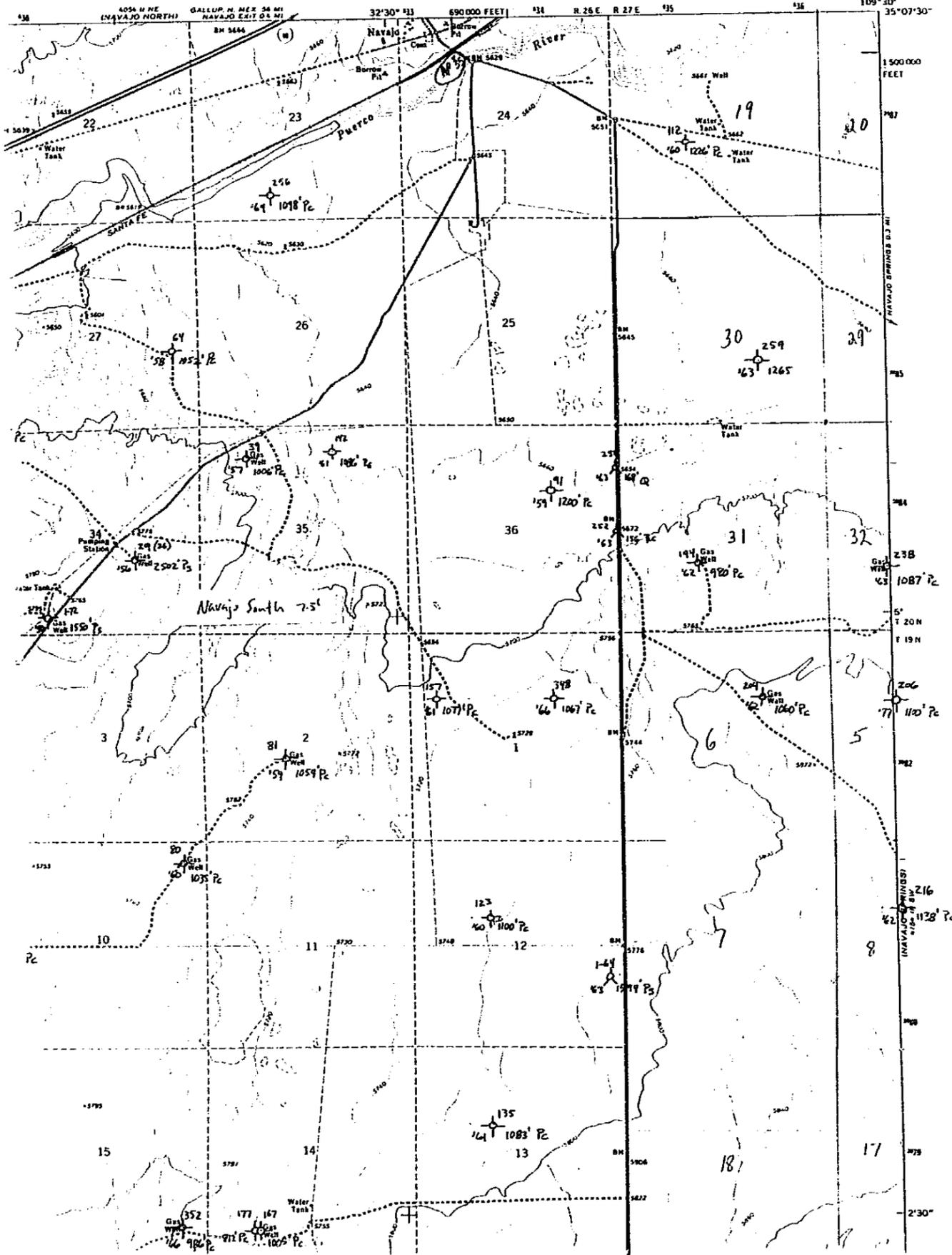
I hereby certify the above plat represents a survey
made under my supervision and is accurate to the
best of my knowledge and belief.

Elmer M. Clark
ELMER M. CLARK
Registered Land Surveyor
Colo. No. 2279

E.M. CLARK & ASSOCIATES
Durango, Colorado
February 12, 1960



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



BOND

Bond No. 92-676130

KNOW ALL MEN BY THESE PRESENTS,

That we: Crest Oil Company, Alton

of the County of: Madison in the State of: Illinois

as Principal, and Maryland Casualty Company

of Baltimore, Maryland authorized to do business within the State of Arizona,

as surety, are held and firmly bound unto the State of Arizona in the penal sum as indicated, lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The condition of this obligation is that whereas the above bounden principal proposes to drill a well or wells for oil, gas or stratigraphic purposes in and upon the following described land situated within the State, to wit:

Center of Section 19, Township 20 North, Range 27 East, Apache County,
(May be used as blanket bond or for single well)
Arizona.

NOW, THEREFORE, if the above bounden principal shall comply with all of the provisions of the laws of this State and the rules, regulations and orders of the Oil & Gas Conservation Commission, especially with reference to the requirements of A. R. S. 27-516, providing for the proper drilling, casing and plugging of said well or wells, and filing with the Oil & Gas Conservation Commission all notices and records required by said Commission, in the event said well or wells do not produce oil or gas in commercial quantities, or cease to produce oil or gas in commercial quantities, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

Penal sum of Two Thousand, Five Hundred and 00/100 - - - - -

Witness our hands and seals, this 17th day of February, 1960.

CREST OIL COMPANY
BY: [Signature] Principal

Witness our hands and seals, this _____ day of _____

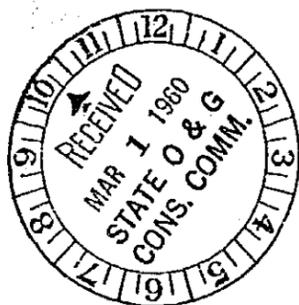
[Signature] Arizona Agent
MARYLAND CASUALTY COMPANY
BY: [Signature] Attorney-in-Fact Surety

(If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany the bond.)

Approved _____ Date _____ STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

P-2 CANCELLED

112 DATE 041-23-61



STATE OF MISSOURI
CITY OF . LOUIS

} ss.

On this 17th day of February, A. D., 19 60, before me personally appeared Gerald M. Rogers, with whom I am personally acquainted, who, being by me duly sworn, said: that he resides in the City of St. Louis; that he is Attorney-in-Fact of the Maryland Casualty Company, the corporation described in, and which executed the foregoing instrument; that he knows the corporate seal of said Company; that said seal affixed to said instrument is such corporate seal; that it was so affixed pursuant to a power of attorney granted in accordance with Section 12 of Article V (formerly Section 13 of Article IV) of the By-Laws of said Company; and that he signed his name thereto as Attorney-in-Fact by like authority.

Robert Gillon
Notary Public within and for the City of St. Louis, Mo.

My commission expires 11/26/60

CERTIFIED COPY

Know all Men by these Presents: That MARYLAND CASUALTY COMPANY, a corporation created by and existing under the laws of the State of Maryland, of Baltimore City, Maryland, in pursuance of authority set forth in Section 12 of Article V of its By-laws, from which the following is a true extract, and which Section has not been amended nor rescinded:

"The Chairman of the Board and President or any Vice-President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Corporation, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority."

does hereby nominate, constitute and appoint Hobart A. Martin, E. H. Calliotte, Vincent A. Bayer, Edwin J. Harty, Elmer F. Denness, Gerald M. Rogers, Ernst W. Kuhn, Richard A. White, R. A. Huston and Robert E. Deemer, Jr., each with full power to act alone, of St. Louis State of Missouri, its Attorney s-in-Fact to make, execute, seal, and deliver on its behalf as Surety, and as its act and deed, any and all bonds, recognizances, stipulations, undertakings, and other like instruments.

Such bonds, recognizances, stipulations, undertakings, or other like instruments shall be binding upon said Company as fully and to all intents and purposes as if such instruments had been duly executed and acknowledged and delivered by the authorized officers of the Company when duly executed by any one of the aforesaid attorneys in fact.

This instrument supersedes power of attorney granted Hobart A. Martin, E.H. Calliotte, Vincent A. Bayer, Edwin J. Harty, Elmer F. Denness, Gerald M. Rogers, Ernst W. Kuhn and Richard A. White, dated February 4th, 1958.

In Witness Whereof, MARYLAND CASUALTY COMPANY has caused these presents to be executed in its name and on its behalf and its Corporate Seal to be hereunto affixed and attested by its officers thereunto duly authorized, this 6th day of August, 1959, at Baltimore City, Maryland.

ATTEST: (CORPORATE SEAL) MARYLAND CASUALTY COMPANY

(Signed) Rose E. Lutz Assistant Secretary. By (Signed) Charles H. Peterson Vice-President.

STATE OF MARYLAND }
BALTIMORE CITY } ss.

On this 6th day of August, A. D., 1959, before the subscriber, a Notary Public of the State of Maryland, in and for Baltimore City, duly commissioned and qualified, came Charles H. Peterson Vice-President, and Rose E. Lutz Assistant Secretary, of MARYLAND CASUALTY COMPANY, to me personally known, and known to be the officers described in, and who executed the preceding instrument; and they each acknowledged the execution of the same; and, being by me duly sworn, they severally and each for himself deposed and said that they respectively hold the offices in said Corporation as indicated, that the Seal affixed to the preceding instrument is the Corporate Seal of said Corporation, and that the said Corporate Seal, and their signatures as such officers, were duly affixed and subscribed to the said instrument pursuant to all due corporate authorization.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal, at Baltimore City, the day and year first above written.

(NOTARIAL SEAL) (Signed) Clagett R. Keimer Notary Public.

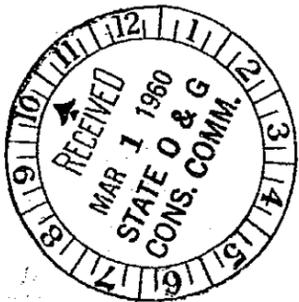
My commission expires May 1, 1961

CERTIFICATE

I, an Assistant Secretary of the Maryland Casualty Company, do hereby certify that I have compared the aforesaid copy of the Power of Attorney with the original now on file among the records of the Home Office of the Company and in my custody, and that the same is a full, true and correct copy, and that the Power of Attorney has not been revoked, amended or abridged, and is now in full force and effect.

Given under my hand as Assistant Secretary, and the Seal of the Company, at Baltimore City, Md. this 17th day of February A. D., 1960

Rose E. Lutz
Assistant Secretary.



June 21, 1965

Maryland Casualty Company
Suite 1201 Pierce Building
St. Louis, Mo. 63102

Attention: Mr. Richard A. White, Bond Department

Re: Crest Oil Company, Alton, Illinois

Gentlemen:

This will acknowledge receipt of your letter of June 15, 1965 in which you mention a letter dated June 9, 1965 addressed to this Commission at its old address. Please be advised that this letter has not been received by this office.

Below listed, please find a breakdown of each well drilled by Crest Oil and the necessary requirements to be met:

Santa Fe Well #1, NE/4SW/4 19-T20-R27E, Apache County.
Your Bond 92-676130. Our File 112

Our records reveal that captioned bond was released January 23, 1965 and that all necessary reports have been filed.

Santa Fe Well #2, NE/4SW/4 33-T20N-R27E, Apache County.
Your Bond 92-676089. Our File 110

This well is in the Navajo Springs Unit and consequently the bond must remain in force. Would you please send us a copy of this bond?

Santa Fe Well #3, SW/4NE/4 3-T19N-R27E, Apache County.
Your Bond 929677167. Our File 124

This well was completed as a dry hole and all our requirements have been met. This bond was released May 16, 1961.

June 21, 1965

Santa Fe Fee #8, NE/4SW/4 27-T20N-R27E, Apache County
Our File 131

This particular location was never drilled and our file does not reveal that it was ever bonded.

Santa Fe Fee #5, NE/4SW/4 26-T20N-R27E, Apache County
Our File 129

The bond covering this location was executed August 25, 1960 by Mr. J.M. Johnson on behalf of Maryland Casualty Company. The number of the bond is not known.

Our file does not reveal that this bond has been released, and, further, the Well Completion Report must be filed with this office before this bond may be released.

Santa Fe Fee #5A, NE/4SW/4 26-T20N-R27E, Apache County
Our File 151

The bond number is not known. Our file reveals this bond was released May 22, 1962.

Santa Fe Fee #6, NE/4NE/4 35-T20N-R27E, Apache County
File 130. Bond number unknown.

Our file reveals this bond was released May 22, 1962.

Santa Fe Fee #7, SW/4NE/4 6-T19N-R27E, Apache County
Your Bond 92-78 7379. Our File 204

Our records reveal that this well is in the Pinta Dome Unit. Consequently this bond must be kept in force and we request that you furnish us with a copy of same.

Santa Fe Fee #8, NE/4NW/4 25-T20N-R27E, Apache County
Our File 134. Bond number unknown.

Our records reveal that this is a shallow saline well and consequently this bond must be kept in force. You are requested to furnish us with copy of same.

Santa Fe Fee #9, NE/4SW/4 24-T20N-R27E, Apache County
Our File 152. Your Bond 92-787378

This bond was released November 7, 1962. However the necessary Well Completion Report has not been filed with this office.

Santa Fe Fee #10, NE/4SW/4 11-T20N-R27E, Apache County
Our File 170. Your Bond 92-787369

Our file indicates that this location was not drilled by Crest under Permit 170, but apparently taken over by Eastern Petroleum and drilled as their Santa Fe Fee #12. However,

Dear Mr. [Name]

June 21, 1933

With regard to the [Name] well, our Well Completion Report shows that this well was not drilled under Permit 17, and this permit should be cancelled.

State of Ill. DEPARTMENT OF REVENUE, State County
Permit 17, [Name]

Our file reveals that this well has been completed and this was reported May 21, 1933.

Should you have any further questions concerning the Great Oil Company bonds, please advise.

Yours very truly,

John [Name]
Executive Secretary

BT

cc: Great Oil Company, P.O. Box 57, Alton, Ill.

April 25, 1961

Honorable Louis J. Ellsworth, Jr.
State Representative
Room 213 House Wing - State Capitol
Phoenix 7, Arizona

Dear Mr. Ellsworth:

There is herewith enclosed thermo-fax copies
of our files which provides you with the
answer to your question concerning who autho-
rized the plugging of Crest Oil Company, Sante
Fe #1 well.

Yours very truly,

D. A. Jerome
Executive Secretary

DAJ:hme
encs 2

January 23, 1961

Maryland Casualty Company
Pierce Building
St. Louis, Missouri

Attention: Mr. Ernst W. Kuhn
Bonding Department

Dear Sir:

In re: Crest Oil Company, Bond 92-676089, we wish to advise you that well #2 is a completed well; i.e., completed as a shut-in helium gas well and now awaits a market. Therefore, the bond continues in force and effect.

With respect to Bond 92-676130, you may release the same on Crest Oil #1, Sec. 33, T. 20N, R. 27E, Apache County, since this well is plugged and abandoned as a dry hole, as of 8/9/60.

Yours very truly,

D. A. Jerome
Executive Secretary

DAJ/ew

August 9, 1960

Mr. James Dean
Eastern Petroleum Co.
2520 1st National Bank Bldg.
Denver 2, Colorado

Dear Jim:

We return herewith an approved copy of your application
to abandon and plug Crest Oil Company, Santa Fe #1.

Yours very truly,

W. F. Maule
Petroleum Engineer

WFM/ew
Enclosure



EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.

1ST NATIONAL BANK BLDG.
DENVER 2, COLORADO

August 2, 1960

Mr. Bill Maule
Oil and Gas Conservation Commission
3500 North Central
Phoenix, Arizona



Dear Bill:

Enclosed is a letter from Halliburton personnel concerning the plugging of the Crest Oil #1 Santa Fe. I requested this letter at the suggestion of Mr. Don Jerome. Certainly it seems to answer many of the questions raised about this operation and I regret that I was without adequate foresight to have obtained such a letter long ago. I trust that the letter will be adequate to satisfy your needs.

While not stated in this letter, the source of the cement apparently also was subject to some question. We had stored a pretty fair supply of sack cement in one of the garages of the Navajo Motel which had been left over from previous operations. Cody Harris had in the meantime stored six sacks of his own cement along with ours. When the boys picked up the cement for plugging operations here they took Cody's six sacks as well as some of ours and we later reimbursed him for same. His comment concerning same to you may have been rather misleading.

I hope that this satisfactorily brings to a close the requirements and records as concerned with the plugging operation of this well and that you will see fit to forward without further delay approved plugging forms to Crest Oil Company.

Yours very truly,

EASTERN PETROLEUM COMPANY

James W. Dean
James W. Dean

JWD:mmr

Enclosure

cc: Mr. Fullop
Mr. Swain
Mr. Jerome



Halliburton OIL WELL CEMENTING COMPANY

Farmington, N M.

COPY

July 29, 1960

Farmington, N M.

Mr. Jim Dean
Eastern Pet. Co.
2520 First Nat Bank Bldg.
Denver 2, Colorado.

Dear Mr. Dean & To Whom It May Concern:

When testing the Crest Oil # 1 Santa Fe, The following facts occurred. When starting to Farmington Mr. ~~Mo. Davis~~ and Bob Lauth asked us to call the cementer for the Pump Truck That was in Navajo Arizona, They were ready to plug the well, and needed the cementer. I told them I would call the cementer from Farmington, But it would take at least four hours to drive down. Mr. ~~Mo. Davis~~ said he didn't think they were required to plug all shows (Other than the surface) by the State, But it would keep the ranchers better satisfied to use Cement Plugs.

Mr. Lauth asked me to run the pump truck in case the cementer didn't get there by the time they were ready to plug. I spotted the first plug consisting of six sacks of cement, which when mixed would fill in 4 3/4 hole, approximately 53 feet from 1226 to 1173 feet. The next plug was spotted by Mo. Davis cementer. I assisted in cutting six sacks of cement for plug # 2 from 280 to 227-3 sacks were used for the surface. I told Mr. Davis that the depths and cement used were not to important as Mr. ~~Mo. Davis~~ said they were not required by the State to plug- therefore he only showed part of cement used on our tickets.

Hope this is information you needed. If more is required will be glad to assist you further.

Sincerely Yours

Jack W. Beane

Jack W. Beane
Mo. Davis

Almo (M) Davis

VIA AIR MAIL

*Crest Oil
Santa Fe #1*

May 2, 1960

Mr. James W. Dean
EASTERN PETROLEUM COMPANY
2520 First National Bank Bldg.
Denver 2, Colorado

Dear Jim:

Thank you for your letter of April 22, 1960. I regret very much that you feel that this office has attempted to cause your company any difficulty, with respect to the plugging and abandoning of your wells in the Pinta Dome area.

I have gone over this matter with Mr. Maule and he states that the discussion with you at Navajo was "never heated" nor was he trying, at any time, to be arbitrary. I think the matter has been blown out of proportion to the facts, and I am sure that you will find that there was an incorrect assumption on possibly your part and probably Mr. Maule's part.

With respect to the 15 sacks of cement for the Crest Oil Well plugging, we will of course take the full value of your statement, that 15 sacks were used. Mr. Maule indicates that Mr. Harris said to him that only 6 sacks were used.

As to the new equipment that Halliburton used, I am sure that it is their prerogative to use any kind of equipment that they feel would do the job. I think Bill Maule was asking the Halliburton hand to explain to him how the machine worked, rather than create a feeling of distrust, as to what was actually going on.

On the matter of having your rig stand by, to await a decision as to whether somebody will take over the water well, I agree with you that a company should not be put to this trouble and expense. I do not intend to have any operator penalized in this manner, and we certainly will use good judgment and moderation in carrying out provisions of the Rules, in this regard.

Mr. James W. Dean
May 2, 1960
Page Two

The operator will receive every consideration from this office that it is possible to give. We will "lean over backwards" to help an operator, where it is possible. You refer to the land-owner, and we of course have everyones interest before us, and insofar as I am able, there will never be a decision made, where a land-owner will have an undue advantage over an operator, and consequently an operator will not get an unreasonable advantage over a land-owner.

The conditions that you present in your letter occurred unfortunately through mistake and misunderstanding, and at the time I was in the hospital. I regret the fact that this happened, but know that a lot of things happen when "the panic button" is pressed too quickly by both parties.

From our personal association, and our business association, you are aware that I would not be a party to anything that was not right, and we want the cooperation of the industry.

I treasure the last paragraph in your letter very highly, because I will not permit our friendship to suffer, because if there is any violation by your company, we will handle it, as you indicate, and since we are all subject to human frailties, I trust your grievances will be forgotten.

Feel free to call me at any time, day or night, and I will try to give you the best decision and information that I have at my command.

Yours very sincerely,

D. A. Jerome,
Executive Secretary

DAJ:mmr

cc: Mr. Henry Fullop
P. O. Box 291
Carmi, Illinois



**EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.**

2520 FIRST NAT'L BANK BLDG.
DENVER 2, COLORADO
MA 3-5259

April 22, 1960

Mr. D. A. Jerome, Executive Secretary
Oil and Gas Conservation Commission
Suite 312 3500 North Central Avenue
Phoenix, Arizona

Dear Don:

The manner of the plugging of the Crest Oil #1 Santa Fe has been called to my attention by Mr. Bob Lauth as a result of his telephone conversation with you late last week. I very much regret the error that has arisen here in the records pertaining to this operation and the concern it has caused your office.

I overlooked the rather heated manner in which Mr. Maule called to my attention our violations in connection with the plugging of this well. In fact, it was my total summarization of this conversation that the violation incurred was concerned with filing of Form 15 by mistake previous to the filing of Form 15A. The matter could easily, and much to my preference, have been handled by a simple notice from your secretary to mine, since these are menial duties of the two. That this was the total violation considered by your office apparently was an incorrect assumption on my part.

You will note from copies of various letters here enclosed that I am attempting to rectify the error that exists as concerns Crest Oil's well to the full satisfaction of your office and this. It is disturbing to me that while we have enjoyed the opportunity of personal acquaintance and friendship with you and your staff that our procedures, and your trust in us to perform same according to the regulations, should be questioned by the mere incorrect notation of the amount of cement used on a Halliburton ticket when we are required to place ourself of record by Forms 15 A and 15, and certify that the work so set out on those forms has been performed.

For the record, I would like to state that 15 sacks of cement were purchased from Mr. Cody Harris for the plugging of the Crest Oil well. In a hole of 4 3/4 diameter such as this well was, the fillup per sack is 8.9 feet. Allotting two sacks for a surface plug, the average length of plug placed at the top of the Coconino and below the surface water sand would be 58 feet from 6 1/2 sacks.

Mr. D. A. Jerome

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April 22, 1960

It is the intent of this company and my direct orders that we carry all phases of our operation out in such a manner, particularly as it concerns the rules and regulations of your agency, so that no criticism may arise which would tend to embarrass or trouble your office or this. Your staff is limited and your office overburdened with duties. This I can appreciate from a day-to-day firsthand experience of same. With this in mind, it has been our approach, as a matter of courtesy to your staff and in the prudence of operations by this company, to attempt to plug our wells and otherwise carry our operations on in such a manner that it would not necessitate continual personal surveillance of your agency. This we shall continue to do. If Bill's workload is as he described, and certainly I can appreciate same to the utmost, then the last thing he should be called upon to worry about is making a hard six or seven hour drive to Navajo to see if this company plugged a little 1000 foot hole legitimately. It is in part for this reason that we have made it a specific policy of operation in the Pinta area to openly inform and discuss with major land owners, such as R. C. Spurlock, the quality and depths of water sands encountered and the manner in which they were plugged. To continue in this direction, I believe, is constructive to the reduction of the workload and other miscellaneous worries that might be placed before your office by these people.

As errors are always apt to occur in the recording of well data, such as service tickets by Halliburton field personnel often at late hours of the night, I am therefore suspending their right to furnish anyone with copies of any invoice concerned with any service performed in behalf of this company. They will instead be furnished to this office and released only after same has been checked for correctness. While such errors seriously disgust me, I have long worked in the oil fields enough to realize that fatigue and the speed with which many of the operations are carried on can result in these minor errors and I do not often feel that it is fair to reprimand such personnel for same. I therefore deem it my responsibility to correct this procedure and void us both with the necessity of future re-occurrence of such an incident and worry.

Bill passed a very questioning remark to me concerning the ability of the Halliburton equipment at hand to plug our wells at Pinta. Now I do not dwell on this matter in a petty sense, but because of the following incident wherein he again passed such remarks in the presence of a Halliburton representative, our field superintendent, and whoever else might have attended such a remark I do not know. Passing remarks of this nature can carry serious ramifications to this company so far as the attitude of local people or anyone else not familiar with procedures and equipment of the industry. Bill's title and representation of an agency such as you head carries considerable prestige with local inhabitants, as well his position should. We have maintained a long and uphill battle to gain the confidence of people locally that we know what we are doing so far as legitimate and forthright field operations are concerned and that our procedures in same is with their interest in mind as well as ours. I fully respect Bill's position and ability, and without the latter I am sure you would never have retained him in his present position. I will, however, respectfully request from your office an equal

Mr. D. A. Jerome

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April 22, 1960

amount of respect as concerns our knowledge of oil field procedures and equipment. Mr. Howard Kirby, our superintendent and as capable a man as you will find for such a position, approaches thirty years of varied experience throughout this country and is not prone to ever cause equipment to be brought on a location for this company that is incapable of performing the normal service required thereof. It is well to always bear in mind that after all we foot the bill for these things.

I wish to take this opportunity to seriously question the manner of plugging requested by and approved by your office as concerns setting plugs at the top of the Coconino or other salt water sands when Item 2 of Rule 202 requires placing a 50 foot plug below all fresh water bearing strata. Requirement of this by your office in wildcat wells is not compatible with the normal procedures required of this company by similar agencies in other states. We do, as a matter of good oil field practice, agree and conform to other state regulations requiring that field wells have a plug placed opposite the producing horizon if the well proves to be nonproductive. Fully realizing that the example about to be cited is peculiar to this area, I still believe that it represents a good common sense foundation approach for the lack of necessity of a plug at the top of the Coconino. Hydrostatic pressures of a column of mud in the average 1100 foot hole at Pinta is approximately 700 pounds, more or less. Since the maximum pressures recorded in the Coconino approach only 230 pounds, it is hard for me to conceive that waters could escape or migrate upward from the Coconino while a column of mud stood in the hole and contaminate any surface water sands several hundred feet above. As concerns this matter, and should we drill a hole without encountering fresh water sands, I wish to cite Item 5 of Rule 202 which sets out that an uncased hole shall be plugged with heavy mud to the base of the surface string and a 50 foot surface plug thereafter.

As concerns the Crest Oil #1 Santa Fe and other such type tests to be drilled in the future on a slim-hole basis utilizing a 4 3/4 hole, I should appreciate an interpretation and affirmation of Rule 203. Permits filed on the Crest Oil well specifically cited this was a location for a Stratigraphic Core Hole test, or technically, an exploratory hole. According to Rule 203 it was not necessary for us to apply for a permit or to stake the location, or to furnish plugging data for a period of 60 days. In light of your problems with the Legislature, we proceeded with a formal request of a permit nevertheless. If our interpretation of this rule is incorrect, we should more than appreciate your comments.

A question arose some time in the past between us concerning the absence of surface casing in the Crest Oil exploratory hole. Since other such holes of this type are anticipated in the future, I believe that it is for the better interest of this company that we obtain a clarification from you as to the validity of our procedure here. We knew by experience of course that surface water flows of uncontrollable nature were not to be expected in this area. Since formation pressures of the Coconino never present any danger of blowout, this too was a factor in our decision for the non-use of surface pipe. Average time of drilling of the hole required approximately three or four days. The short time element

Mr. D. A. Jerome

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April 22, 1960

then, in conjunction with a tremendous amount of past experience on the part of the contractor in drilling uranium claims in this part of the country, allowed us to evaluate that danger of washout under the rig was negligible. Since the test was a wildcat and well removed from any dwellings, there was little intimate danger of contamination of the water supply of some local resident. At the time we therefore felt that this situation dictated in good common sense no necessity for setting and cementing a surface string. If the well was dry, such surface water sands would of course be protected by cement plugs, and if it made a producer, we had arranged our production casing program to allow for cementation and protection of this surface water sand. Irregardless of our thinking, it is not impossible that in the strictest sense we are in violation of Rule 108. If such be the case, I do not, under any circumstances, wish to repeat same. I believe that our ultimate position in holes of this type to be drilled in the future rests with the flexibility with which you administer the rules and regulations. Your comments on the above would be appreciated.

Mr. Maule in his conversation with me expressed some concern as to your and our position with land owners since he appeared to believe they intend to run tests upon the surface water sands and ascertain pollution of same. This is the least of my worries at present, for it is a risk inherent to our operation in past years anywhere in the United States. Further, we have posted a bond with the state of Arizona for insurance of justice if same should occur and beyond this we have attempted to plug all wells in such a manner as to never allow anyone to take this company to court without being libel to a counter-suit for all damages, time, and cost concerned with same. In fact, as stated previously, we have no intention where possible of allowing the attitude between ourselves and the land owner to come to such grave thinking.

I should also like to call to your attention that this office has received no approved Application to Abandon and Plug forms. This is of no great concern to us, but I believe that what is good for the goose is good for the gander, and since Bill pointedly dressed me down as to the whereabouts of our plugging request on the #2 Santa Fe previous to the expiration of the five-day limit allowed us and more over inasmuch as same had been forwarded to your office, I believe we are entitled to a similar prompt service where same is practical within the workload of your organization.

Several comments have been directed to me and other personnel of this company concerning the prompt forwarding of electric logs from the various wells drilled. Item 3 of Rule 101 provides that we must file same within six months from the time of completion of any well drilled. This is a courtesy extended us and one that on occasion we more than appreciate and should like to exercise for the better interest of this company and its partners. Please do not misinterpret this as an attitude of distrust of furnishing you with such information. To the contrary, it has always been my approach that where information is to remain confidential, distribution of same can place those people receiving

Mr. D. A. Jerome

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April 22, 1960

the information in a possible position of criticism if the information leaks to adverse sources. As soon as we have had time to evaluate the data obtained from the drilling of this series of wells and other pending exploration is decided negative or affirmative, we shall promptly release same to you. If our approach here is incorrect, we are more than glad to temper our thinking.

A further item of extreme interest to this company concerns Rule 204 to some degree. In personally requesting approval for plugging of a well recently, I encountered considerable conversation with you and Bill concerned with keeping this hole on standby and open basis with the rig on the hole until someone in the State Land Department could make up their mind whether they wanted to set pipe on this as a fresh water well or not. This was not State land and I did not fully understand what the State's interest or position was in this matter. I was even more disturbed by Bill's remark that after all the regulations provided for twenty-four hours free rig time until someone down there could make up their mind what we should do with our well in the way of plugging. I have not to this moment been able to find a specific reference or citation in the General Rules and Regulations which requires the operator to furnish twenty-four hours of free rig time to the State or any other person.

Your past experience with oil operations I feel should not necessitate my calling to the attention of your office that it costs this company \$750 per day to simply have a rig stand by while some decision is reached about a matter that is entirely confusing to us and apparently from remarks made stems from a "gentlemen's agreement" between your office and the State Land Department. I frankly feel that an encouragement by your office of such a policy is not in the best interest of the operator attempting to carry on operations within the state of Arizona nor will it stimulate the overall exploration desired by your office. In the event that this matter is one of serious consideration between your two offices and unless I am in error in previously acknowledging the existence of same, we would consider it most fitting that a directive or memorandum from some one of the departments be distributed to the industry specifying and clarifying this matter. If same is in the formative stage, we urge you in behalf of the interests of the industry to have incorporated in such a rule or regulation, whether it be with your agency or the State Land Department, a reasonable time limitation and justifiable means of compensation to allow the operator to recoup such an expenditure as would be involved with twenty-four hours of free rig time. Moderation in this matter is greatly desired. You will note from the copies of the enclosed letter addressed to Mr. R. C. Spurlock that we had extended the courtesy to him required under Rule 204 and that same had been refused.

I realize your office has been besieged with pressure of political adversities and other unwelcome attitudes on the part of various individuals which necessitates some restraint probably in your present and immediate future exercising of the duties of your office. This probably accounts for what I sometimes of recent feel indicates the attitude of your office is increasingly becoming more concerned with the welfare of

Mr. D. A. Jerome

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April 22, 1960

the land owner and attitudes of political adversaries rather than the better interest of the oil industry now in its infancy and striving to make a good foothold within the boundaries of Arizona. We respect your office and your position and look to you for guidance and protection of the industry in its operations within the state. I do not profess to be familiar with or understand the full duties of the various state agencies. My observation, however, would lead me to believe that any direct emphasis of interest in behalf of the land owner in the state of Arizona is more than given adequate attention by the State Land Department itself. This, we would hope, places your office and staff in a position to speak up for and protect, whenever practical, the interests of the oil industry.

Irregardless of the above, we have had the pleasure of developing a friendship between you, Henry, and myself, and I intend in no manner to allow badgering between this company and your office to destroy the friendship and cordial attitude in which we have previously carried on our business. To do otherwise would be vain and without good business sense. Where we are in violation of any regulations in the future, notify this office of same by a brief letter and we will rectify the violation as rapidly as practical. We are all human and subject to the errors normal and will always appreciate such errors being called to our attention in a constructive and friendly manner.

Respectfully yours,

EASTERN PETROLEUM COMPANY
Rocky Mountain Division

James W. Dean
James W. Dean

JWD:JS

Carbon Copy: Mr. Henry Fullop
Mr. C. F. Swain
Mr. Howard Kirby



**EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.**

2520 FIRST NAT'L BANK BLDG.
DENVER 2, COLORADO
MA 3-5259

April 22, 1960

Mr. Robert F. Lauth
P. O. Box 776
Durango, Colorado

Re: Plugging Procedures

Dear Bob:

Some question has arisen for the second time as concerns the manner in which the Crest Oil #1 Santa Fe was plugged. It was for this reason that I directed my inquiry earlier to you, and I wish to express my appreciation for your prompt reply and the confirmation of the fact that a total of 15 sacks of cement were used to plug this well.

In light of the contestation by the Oil & Gas Conservation Commission office of the procedures used here, I wish to direct the following to your attention:

1. In the future where you supervise the plugging of any well in the state of Arizona, you will be personally responsible for seeing that the information recorded on Halliburton service tickets corresponds identically with the approved plugging plan of the above cited state office and such depths of plugging as is furnished to this office.
2. I have directed a letter to Halliburton's office in Farmington, New Mexico, advising them that at no time in the future shall service tickets concerned with plugging or any other service performed by them be furnished to any unauthorized personnel. You will see that this directive is carried out by orders from you to field personnel of the Halliburton Cementing Company.
3. Where cement is purchased from any source other than Halliburton, as was the case of the Crest Oil well, you will obtain a receipt for same with specific notations showing upon the receipt as to what well the cement was designated for. Such receipts will be furnished to this office and placed upon file here.
4. You will specifically see that the Halliburton tickets record the total number of sacks put into the well where cement is purchased or made available for plugging from some source other than bulk truck delivery by that company.

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Mr. Robert E. Lauth

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April 22, 1960

This office is far too busy to be concerned with the correction of such minor details of so little importance. For this reason, I will no longer tolerate the malperformance of any phase of plugging that will subject this office to embarrassment or question of our procedures by the state. Our approach to compliance of plugging regulations of the state of Arizona has been and will continue to be in total conformity to the regulations, and in each case where it is reasonable, compliance over and above the regulations in such a manner as to place this company above any reasonable reproach by the state.

Respectfully yours,

EASTERN PETROLEUM COMPANY
Rocky Mountain Division

James W. Dean

JWD:JS

Carbon Copy: Mr. Henry Fullop
Mr. D. A. Jerome
Mr. W. F. Maule

COOPY



**EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.**

2520 FIRST NAT'L BANK BLDG.
DENVER 2, COLORADO
MA 3-5259

April 22, 1960

Mr. R. C. Spurlock
Navajo, Arizona

Dear Mr. Spurlock:

C
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Some question has arisen with the Oil & Gas Conservation Commission concerning the manner in which we plugged the above well. I directed Mr. Kirby and Mr. Lauth to discuss freely with you and/or Ted the manner in which each of our wells were plugged. Personal conversations between Ted and myself indicated that these orders had been fulfilled.

In the event that the question at hand has come to your attention, I should like to take this opportunity to review with you the manner in which this well was plugged and to go of record in behalf of this company that insofar as we are concerned, such plugging operations were carried out in full compliance with the regulations of the state of Arizona and beyond that, with full prudence of this company as operator.

Plugs were placed in this well at the following depths: 0 - 15'; 230 - 280'; and 1180 - 1226'. The plug from 0 - 15' prevents any flow of the surface water sands out of the top of the hole. The plug from 230 - 280' separates and prevents contamination of the water sands by downhole formations. This is the only prominent fresh water sand developed in the hole. Beyond what would normally be required but as insurance to safe plugging for the sake of this company and yourself, we placed an additional plug from 1180 - 1226' in the top of the Coconino.

Some question has arisen in the past with Rule 204 concerning making the hole available to the land owner for casing of same as a fresh water well. I remember discussing this matter with you and it is my recollection that you specifically stated that you did not desire to assume the responsibility or expense of such an operation and had further advised the State Land Department in the past that you wish that no such operation be carried on in your behalf by them. If for any reason I have misinterpreted the meaning of our conversation concerning this matter, please advise me.

Respectfully yours,

James W. Dean

JWD:JS

Carbon Copy: Mr. Henry Fullop
Mr. D. A. Jerome ✓
Mr. W. F. Maule



EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.

2520 FIRST NAT'L BANK BLDG.
DENVER 2, COLORADO
MA 3-5259

April 22, 1960

C
O
P
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Mr. Howard Kirby, Superintendent
Eastern Petroleum Company
1602 Avenue I
Scottsbluff, Nebraska

Re: Plugging Procedures

Dear Howard:

Some question has arisen for the second time as concerns the manner in which the Crest Oil #1 Santa Fe was plugged. It was for this reason that I directed my inquiry earlier to you, and I wish to express my appreciation for your prompt reply and the confirmation of the fact that a total of 15 sacks of cement were used to plug this well.

In light of the contestation by the Oil & Gas Conservation Commission office of the procedures used here, I wish to direct the following to your attention:

1. In the future where you supervise the plugging of any well in the state of Arizona, you will be personally responsible for seeing that the information recorded on Halliburton service tickets corresponds identically with the approved plugging plan of the above cited state office and such depths of plugging as is furnished to this office.
2. I have directed a letter to Halliburton's office in Farmington, New Mexico, advising them that at no time in the future shall service tickets concerned with plugging or any other service performed by them be furnished to any unauthorized personnel. You will see that this directive is carried out by orders from you to field personnel of the Halliburton Cementing Company.
3. Where cement is purchased from any source other than Halliburton, as was the case of the Crest Oil well, you will obtain a receipt for same with specific notations showing upon the receipt as to what well the cement was designated for. Such receipts will be furnished to this office and placed upon file here.

Mr. Howard Kirby

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April 22, 1960

4. You will specifically see that the Halliburton tickets record the total number of sacks put into the well where cement is purchased or made available for plugging from some source other than bulk truck delivery by that company.

This office is far too busy to be concerned with the correction of such minor details of so little importance. For this reason, I will no longer tolerate the malperformance of any phase of plugging that will subject this office to embarrassment or question of our procedures by the state. Our approach to compliance of plugging regulations of the state of Arizona has been and will continue to be in total conformity to the regulations, and in each case where it is reasonable, compliance over and above the regulations in such a manner as to place this company above any reasonable reproach by the state.

At your earliest convenience please obtain a receipt from Cody Harris for the 15 sacks of cement obtained from him for the plugging of the Crest Oil well, unless you have same already in your possession.

Respectfully yours,

EASTERN PETROLEUM COMPANY
Rocky Mountain Division

James W. Dean

JWD:JS

Carbon Copy: Mr. Henry Fullop
Mr. D. A. Jerome
Mr. W. F. Laule

COPY



EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.

2520 FIRST NAT'L BANK BLDG.
DENVER 2, COLORADO
MA 3-5259

March 29, 1960

Mr. W. F. Maule, Petroleum Engineer
Oil & Gas Conservation Commission
3500 North Central Avenue
Phoenix, Arizona

Dear Bill:

I enjoyed very much our personal visit this date in the field at Pinta. I regret very much our oversight in not filing Application to Abandon forms for this company's #1 Santa Fe and the Santa Fe #1 of Crest Oil Company. I assume full responsibility for this error. Our office shall endeavor in the future to see that this does not re-occur.

Your land map request presents some problem to us, but we will endeavor to prepare something that is reasonably correct in our opinion for your reference and shall forward same to you in the near future. My best personal regards to Don Jerome.

Respectfully yours,

EASTERN PETROLEUM COMPANY
Rocky Mountain Division

James W. Dean/jw

James W. Dean

JWD:JS
Enclosures



EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.

2520 FIRST NAT'L BANK BLDG.
DENVER 2, COLORADO
MA 3-5259

March 23, 1960

Mr. D. A. Jerome, Executive Secretary
Oil & Gas Conservation Commission
3500 North Central Avenue
Phoenix, Arizona

Dear Mr. Jerome:

With this letter we are enclosing two Plugging Record forms in behalf of Crest Oil Company concerned with their No. 1 Santa Fe, located in Section 19, Township 20 North, Range 27 East, Apache County, Arizona.

Respectfully yours,

EASTERN PETROLEUM COMPANY
Rocky Mountain Division

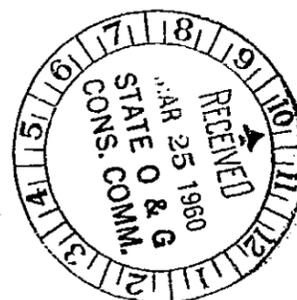
James W. Dean / jw

James W. Dean

JWD:JS

Enclosures

Carbon Copy: Mr. C. F. Swain
Crest Oil Company
P. O. Box 57
Alton, Illinois



118

Crest
OIL COMPANY
ALTON, ILLINOIS

27th February 1960

Oil and Gas Conservation Commission
State Of Arizona
3500 N. Central Ave.
Phoenix, Arizona

Gentlemen:

Enclosed please find applications for permits to drill, together with surveyors plats, bonds, and organization report.

Also enclosed are two checks in the amount of \$25.00 each.

Hoping you can expedite the forwarding of the permits to the address shown below signature, I am,

Sincerely yours,

C. F. Swain
C. F. Swain
First National Bank Bldg. Room 304
200 West Third St.
Alton, Ill.

CFS:BS



February 4, 1960

Mr. C. S. Swain
Crest Oil Company
P.O. Box 57
Alton, Illinois

Dear Mr. Swain,

Mr. Ryan, of the State Land Department, has referred your letter of February 1, 1960 to us, for compliance.

We wish to advise you that the Oil and Gas Conservation Commission has been organized and is now in operation.

Requirements to drill a well are:

1. The application to drill.
2. The bond in the amount of \$2500.00 per well or \$10,000.00 blanket bond covering all wells to be drilled.
3. The organization report.

In addition there is a \$25.00 fee per well to accompany your application to drill.

We are enclosing three copys of our rules which further explain the above. We ask you to file all forms in triplicate. We will return an approved copy of the application to drill which is your authority to drill.

Your attention is invited to Rule 105, regarding spacing and the target area of the drilling unit.

If we can be of further assistance to you, please feel free to call or write.

Sincerely,

E. L. TARRANT
C. F. SWAIN

Crest
OIL COMPANY
BOX 57
ALTON, ILLINOIS

J. CAPERTON
L. S. RISTER

1st February 1960

Frederick C. Ryan
Supervisor Oil & Gas Conservation
State Land Department
Phoenix, Arizona

Dear Mr. Ryan:

Crest Oil Company will be applying for permits to drill two test wells in Apache County Arizona soon, and it is my understanding that certain information must be supplied you before permits can be issued.

Would you therefore write me at your earliest convenience, setting forth the requirements to be met in order that permits may be obtained as soon as possible.

Respectfully yours,



C. F. Swain
CREST OIL COMPANY