

P-W

OK

N. Mexico & Arizona Land Co. 3 Fee  
SW/4-NE/4 Sec 28-17N-22E 244  
Navajo County

s1

COUNTY Navajo AREA 10 mi SE Holbrook LEASE NO. New Mex & Ariz Land Co  
Fee

WELL NAME New Mexico & Arizona Land Company <sup>3</sup> Fee (Patsch)

LOCATION C SE/4 SEC 28 TWP 17N RANGE 22E FOOTAGE 1320 fsl 1320 fe  
STATUS \_\_\_\_\_ TOTAL \_\_\_\_\_

ELEV 5375' GR \_\_\_\_\_ KB \_\_\_\_\_ SPUD DATE 6-20-63 COMP. DATE 7-15-63 DEPTH 1418'

5374' Ed Beaumont  
CONTRACTOR

CASING SIZE	DEPTH	CEMENT	LINER SIZE & DEPTH	DRILLED BY ROTARY	<input checked="" type="checkbox"/>
4 1/2	1080	5 sx	NA	DRILLED BY CABLE TOOL	_____
_____	_____	_____	_____	PRODUCTIVE RESERVOIR	_____
_____	_____	_____	_____	INITIAL PRODUCTION	<u>P&amp;A</u>

FORMATION TOPS	DEPTHS	SOURCE		REMARKS
		L.L.	E.L.	
Supai	1040-1048		x	

ELECTRIC LOGS	PERFORATED INTERVALS	PROD. INTERVALS	SAMPLE LOG
GRN	NA	NA	SAMPLE DESCRP. _____
	1040-1048	1040-1048	SAMPLE NO. _____
			CORE ANALYSIS _____
			DSTs _____

REMARKS Small blow non-flammable gas 1040-1048'

APP. TO PLUG   
 PLUGGING REP.   
 COMP. REPORT

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

BOND CO. U. S. Fidelity & Guaranty Co. BOND NO. 39307-13-1243-63  
 DATE \_\_\_\_\_ ORGANIZATION REPORT 8-6-63  
 BOND AMT. \$ 10,000 CANCELLED 7-24-64  
 FILING RECEIPT 9342 LOC. PLAT  WELL BOOK  PLAT BOOK   
 API NO. 02-017-05136 DATE ISSUED 8-6-63 DEDICATION E/2

PERMIT NUMBER 244

MINERAL EXPLORATION TEST - POTASH

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 New Mexico and Arizona Land Company		Address 608 Bank of New Mexico Building	
Lease Name New Mexico and Arizona Land Company		Well Number 3	Field & Reservoir W/C
Location C SE ¼ Section 28 - Twp. 17N - Rge. 22E			
County Navajo	Permit number	Date Issued	Previous permit number Date Issued
Date spudded June 20, 1963	Date total depth reached 1048'	Date completed, ready to produce	Elevation (DF, RKB, RT or Gr.) feet Elevation of casing hd. flange feet
Total depth 1048'	P.B.T.D.	Single, dual or triple completion?	If this is a dual or triple completion, furnish separate report for each completion.
Producing interval (s) for this completion 1040' - 1048'		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? no	Date filed
Type of electrical or other logs run (check logs filed with the commission) Gamma Ray			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
	6"	4½"	8#	1048	5	None

TUBING RECORD

LINER RECORD

Size	Depth set	Packer set at	Size	Top	Bottom	Sacks cement	Screen (ft.)
none	in.	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		
1	Jet	1040 - 1048	None				

INITIAL PRODUCTION

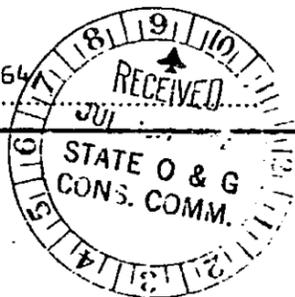
Date of first production		Producing method (indicate if flowing, gas lift or pumping—if pumping, show size & type of pump:)					
Date of test 7-11-63	Hrs. tested 2	Choke size ½"	Oil prod. during test bbls.	Gas prod. during test Small blow MCF	Water prod. during test None	Oil gravity ° API (Corr)	
Tubing pressure	Casing pressure	Cal'd rate of Production per 24 hrs.	Oil bbls.	Gas MCF	Water bbls.	Gas-oil ratio	

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

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Vice President of the New Mexico and Arizona Land Co. (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.

July 21, 1964

Date



Signature

*E. J. Gorsuch*

STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION  
Well Completion or Recompletion Report and Well Log  
Form No. P-7 File two copies

MINERAL EXPLORATION TEST - POTASH

10

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 New Mexico and Arizona Land Company		Address 808 Bank of New Mexico Building		
Lease Name New Mexico and Arizona Land Company		Well Number 3	Field & Reservoir W/C	
Location C SE 4		Sec.-TWP-Range or Block & Survey Section 28 - Twp. 17N - Rge. 22E		
County Navajo	Permit number	Date issued	Previous permit number	Date issued
Date spudded June 20, 1963	Date total depth reached 1048'	Date completed, ready to produce	Elevation (DF, RKB, RT or Gr.) feet	Elevation of casing hd. flange feet
Total depth 1048'	P.B.T.D.	Single, dual or triple completion?		If this is a dual or triple completion, furnish separate report for each completion.
Producing interval (s) for this completion 1040' - 1048'		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? no	Date filed	
Type of electrical or other logs run (check logs filed with the commission) Gamma Ray			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
	6"	4½"	8#	1048	5	None

TUBING RECORD

LINER RECORD

Size	Depth set	Packer set at	Size	Top	Bottom	Sacks cement	Screen (ft.)
in.	ft.	ft.	in.	ft.	ft.	ft.	ft.
none							

PERFORATION RECORD

ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD

Number per ft.	Size & type	Depth interval	Amt. & kind of material used	Depth interval
1	Jet	1040 - 1048	None	

INITIAL PRODUCTION

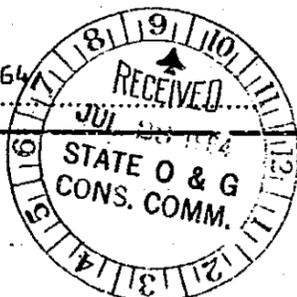
Date of first production		Producing method (indicate if flowing, gas lift or pumping—if pumping, show size & type of pump):				
Date of test 7-11-63	Hrs. tested 2	Choke size ½"	Oil prod. during test bbls.	Gas prod. during test Small blow MCF	Water prod. during test None	Oil gravity ° API (Corr)
Tubing pressure	Casing pressure	Cal'd rate of Production per 24 hrs.	Oil bbls.	Gas MCF	Water bbls.	Gas-oil ratio

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

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Vice President of the New Mexico and Arizona Land Co. (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.

July 21, 1964

Date



*E. L. Gersuch*  
Signature

STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION  
Well Completion or Recompletion Report and Well Log  
Form No. F-1  
File two copies

New Mexico-Ariz. Land Co. #3 Fee

Twp 17n - 22e - 27, c.

E/c. 5382 D.F.

while crq. Supai, well blew out, gas  
non-flammable -

perf. 1004-21

w/apertracidized

T.D. 1065



GENERAL EXPLORATION TEST - POTAS...

APPLICATION TO ABANDON AND PLUG

FIELD Wildcat
OPERATOR New Mexico and Arizona Land Co. ADDRESS 808 Bank of New Mexico - Albuquerque
LEASE Fee WELL NO. 3 COUNTY Navajo
SURVEY SECTION DRILLING PERMIT NO. 244
LOCATION C SE 1/4 Section 28 - Twp. 17N - Rge 22E

TYPE OF WELL Dry TOTAL DEPTH 1418'
ALLOWABLE (If Assigned)
LAST PRODUCTION TEST OIL (Bbls.) WATER (Bbls.)
GAS (MCF) DATE OF TEST
PRODUCING HORIZON PRODUCING FROM TO

1. COMPLETE CASING RECORD 4 1/2 to T. D.

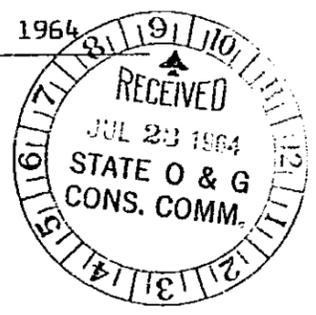
2. FULL DETAILS OF PROPOSED PLAN OF WORK Cement-perfs from 1040' to 1048' with 3 sx. cement.

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 July 1, 1963
NAME OF PERSON DOING WORK New Mexico and Arizona Land Co. ADDRESS 808 Bank of New Mexico
CORRESPONDENCE SHOULD BE SENT TO New Mexico and Arizona Land Company

NAME E. L. Gorsuch
TITLE Vice President

Date Approved July 21, 1964



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

STRAT TEST  
APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

APPLICATION TO DRILL  DEEPEN  PLUG BACK

NAME OF COMPANY OR OPERATOR

DATE

New Mexico and Arizona Land Company

August 6, 1963

Address

City

State

808 Bank of New Mexico Building Albuquerque

New Mexico

DESCRIPTION OF WELL AND LEASE

Name of lease <b>Fee</b>	Well number <b>#3</b>	Elevation (ground) <b>5375'</b>
Well location <b>Center SE 1/4</b>	Section—township—range or block & survey <b>28 27 17N 22E</b>	
Field & reservoir (If wildcat, so state) <b>W/C</b>	County <b>Navajo</b>	
Distance, in miles, and direction from nearest town or post office <b>10 Miles S&amp;E Holbrook, Arizona</b>		
Nearest distance from proposed location to property or lease line: feet	Distance from proposed location to nearest drilling, completed or applied—for well on the same lease: feet	
Proposed depth: <b>1500'</b>	Rotary or cable tools <b>Rotary</b>	Approx. date work will start <b>June 10, 1963</b>
Number of acres in lease:	Number of wells on lease, including this well, completed in or drilling to this reservoir:	

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

Name

Address

**Fee**

Status of bond

**Blandket**

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)

**Test to determine the thickness and character of the Supai**

\* Fill in Proposed Casing Program on other side

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Vice President of the New Mexico and Arizona Land 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 6, 1963  
Date

*E. L. Gorsuch*  
Signature

Permit Number: 244

Approval Date: Sept 6, 1963

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

Effective Feb. 28, 1962.

OK  
John  
244

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.

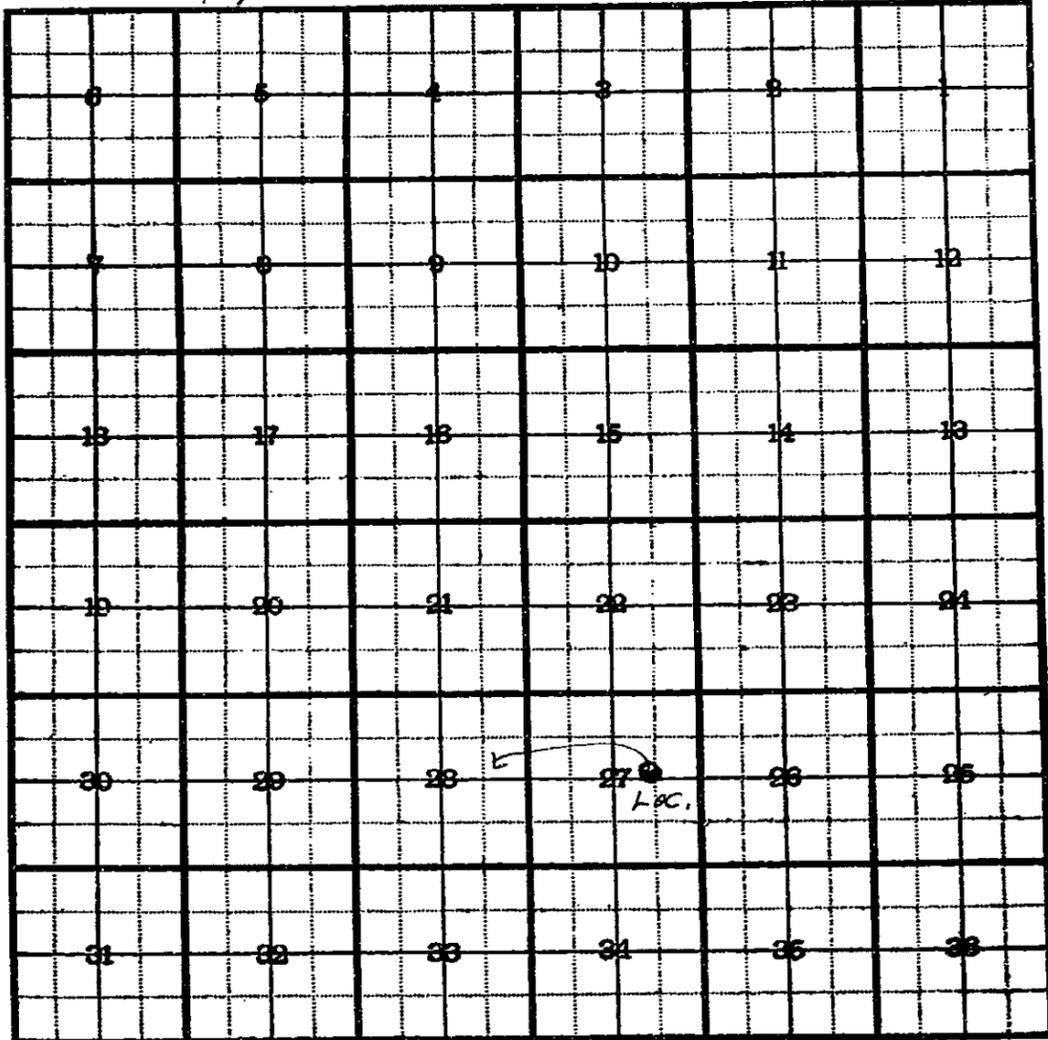
PROPOSED CASING PROGRAM

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

Form No. P-1



TOWNSHIP 17N RANGE 22E N. M. P. M.

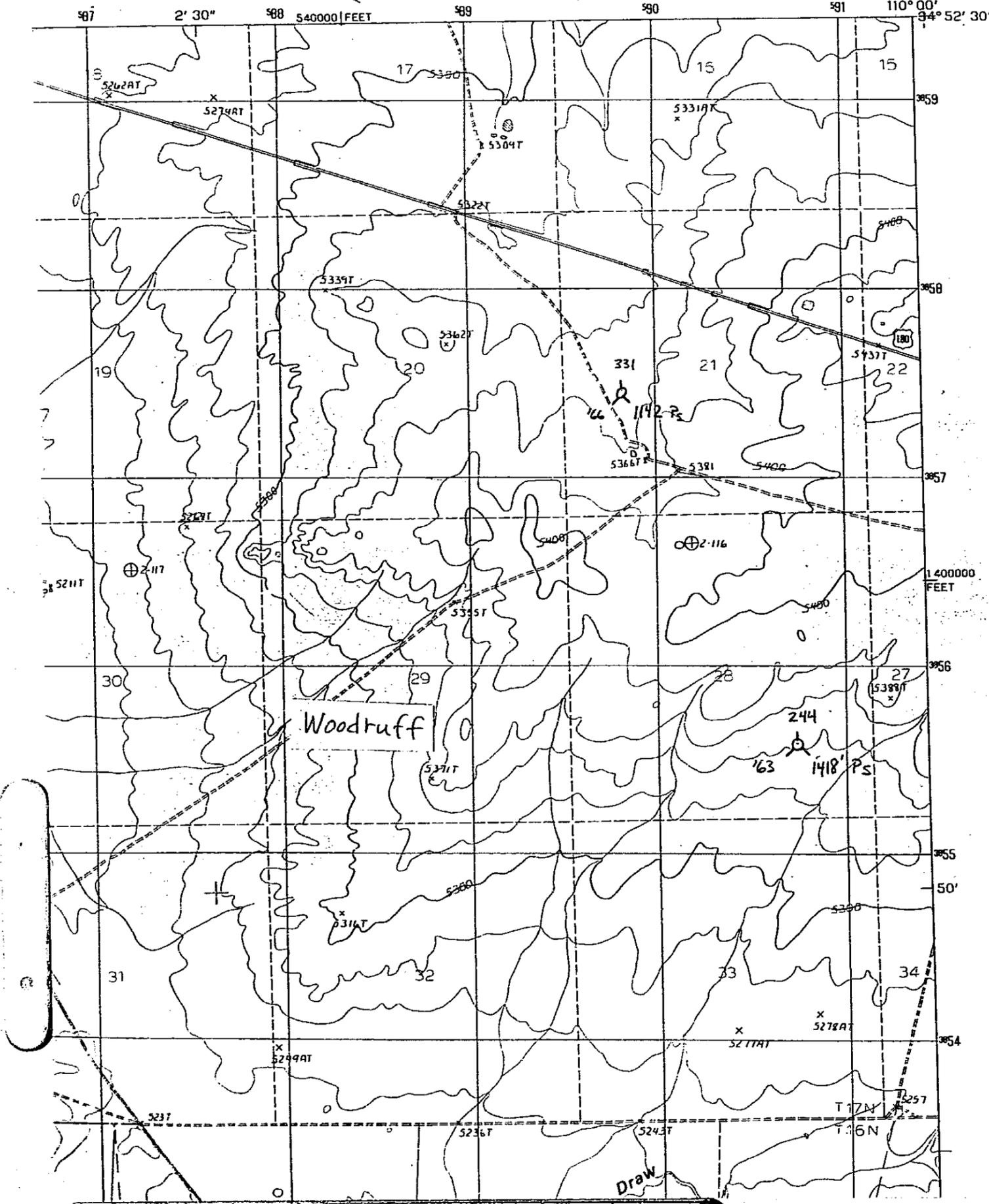


EL. 5375' GTR.

Well is in Sec 28

2448

WOODRUFF QUADRANGLE  
ARIZONA-NAVAJO CO.  
7.5 MI ( 7.5 MI ) TE SERIES (TOPOGRAPHIC)



BOND  
KNOW ALL MEN BY THESE PRESENTS

BOND SERIAL NO. \_\_\_\_\_

That we: New Mexico and Arizona Land Company

of the County of: 906 Olive Street, St. Louis in the State of: Missouri

as principal, and \_\_\_\_\_

of \_\_\_\_\_ 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 conditions 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:

anywhere in the State of Arizona  
(May be used as blanket bond or for single well)  
SEE THIS FILE  
972 273 274

**CANCELLED**  
JUL 24 1964

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 and Gas Conservation Commission, especially with reference to the requirements of A.R.S. 27-501 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 Ten Thousand Dollars (\$10,000)

Witness our hands and seals, this 16th day of August, 1963.

New Mexico and Arizona Land Company  
By H. Gardner, President  
Principal

Witness our hands and seals, this 10th day of August, 1963  
COUNTERSIGNED BY:

H.W. Burns  
Arizona Resident Agent  
Burns-Harrelson-Burns Ins. Agcy.  
BY: C. Sackett  
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 AND GAS CONSERVATION COMMISSION

244

December 29, 1965

New Mexico and Arizona Land Company  
808 Bank of New Mexico Building  
Albuquerque, New Mexico

Attention: Mr. E.L. Gorauch, Vice President

Gentlemen:

We are enclosing copies of information furnished to this Commission by the various companies who engaged in mineral exploration in Arizona during the summer of 1964. Many of the logs are also on file.

As you recall, during the summer of 1963 your company drilled three potash test holes in Navajo County, Arizona.

This letter is to request you to file information along the lines of the information furnished by Duval and National Potash so that information most valuable to this Commission may be made available to the public.

Your cooperation in this endeavor will be greatly appreciated.

Yours very truly,

John Bannister  
Executive Secretary  
mr  
enc

244

## New Mexico and Arizona Land Company

908 Bank of New Mexico Building  
ALBUQUERQUE, NEW MEXICO

Telephone 242-4044

January 4, 1965

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

Attention: John Bannister, Executive Secretary

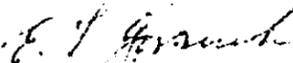
Gentlemen:

Absence from the office has delayed my answer to your letter of December 16, 1964 in reference to your file #242, 243 and 244.

This is to advise you that the wells drilled by New Mexico and Arizona Land Company, referred to as our No. 1, No. 2 and No. 3 Fee, were to test the salt thickness in the Supai and the presence of potassium salts therein, and were classified as mineral exploration tests therefore are not covered by your Statutes governing oil and gas wells.

You are aware of the activity in the Supai Basin by various mining companies looking for potassium and since the information that we derived from the drilling of these test holes has, and will remain confidential, no additional information will be furnished your office.

Very truly yours,



E. L. Gorsuch  
Vice President

ELG:mc



**New Mexico and Arizona Land Company**

**Albuquerque, New Mexico**

October 22, 1964

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

Attention: Mr. John Gannister, Executive Secretary

Gentlemen:

In reference to your letter of October 20, 1964,  
this is to advise you that our Well No. 2 is in Section  
24 and well No. 3 is in Section 28.

Very truly yours,

*E. L. Gorsuch*  
E. L. Gorsuch  
Vice President

ELG:mc



24/4

October 20, 1964

New Mexico and Arizona Land Company  
808 Bank of New Mexico Building  
Albuquerque, New Mexico

Attention: Mr. E.L. Gorsuch, Vice President

Re: New Mexico and Arizona Land Company Fee#2 well, File 243,  
and Fee #3 well, File 244

Gentlemen:

In doing some intensive work on our files we notice some discrepancies in the information concerning the captioned well locations.

In file 243, your well #2, the Application to drill and the Well Completion Report show this well to be located in Section 24. However, the plugging record shows it to be located in Section 13.

In File 244, your well #3, the Application to Drill shows this well to be in Section 27. However, all the subsequent reports show it to be in Section 28. — *Correct*

Will you please verify which are the correct locations for these two wells.

Yours very truly

John Bannister  
Executive Secretary

mr

XXXXXXXXXXXX  
XXXXXX

July 24, 1964

New Mexico and Arizona Land Company  
808 Bank of New Mexico Building  
Albuquerque, New Mexico

Attention: Mr. E. L. Corsuch, Vice President

Re: New Mexico and Arizona Land Company Fee No. 1 Well (File  
No. 242), No. 2 Well (File No. 243), and No. 3 Well  
(File No. 244)

Gentlemen:

Enclosed herewith please find a copy of a letter dated  
July 24, 1964, to the United States Fidelity and Guaranty  
Company wherein we have authorized the cancellation of  
Bond No. 39307-13-1243-63.

If any logs were run on these wells, copies of them should  
be filed with this office in the immediate future. We have  
not as yet checked the wells to see if they are properly  
marked; and should these wells not be so marked, we will  
advise you and give you ample opportunity to comply with  
our rules and regulations.

We appreciate your cooperation with us. If we may be of  
any help, will you please advise.

Yours very truly,

John Bannister  
Executive Secretary

JB:mkc  
Encl.

Files: No. 242  
No. 243  
No. 244

XXXXXXXXXXXXXXXX  
XXXXXX

July 24, 1964

United States Fidelity and Guaranty Company  
Thomas Jefferson Building  
14 South Fourth Street  
St. Louis, Missouri 63102

Attention: Olga D. Herman, Underwriter  
Bond and Surety Department

Re: Bond 39307-13-1243-63, \$10,000.00  
New Mexico and Arizona Land Company, Principal

Gentlemen:

Please be advised that this letter will constitute our authority  
that the captioned bond may be cancelled.

New Mexico and Arizona Land Company has furnished this office  
the required proof of its plugging operations.

Yours very truly,

John Mannister  
Executive Secretary

JBM:ke

Cc: New Mexico and Arizona Land Company  
808 Bank of New Mexico Building,  
Albuquerque, New Mexico  
Attention: Mr. E. L. Gersuch, Vice President

File: No. 242  
XXXXX  
No. 243  
No. 244  
Bond File

# New Mexico and Arizona Land Company

808 Bank of New Mexico Building  
ALBUQUERQUE, NEW MEXICO

Telephone 242-4044

July 21, 1964

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

Attention: Mr. John Sannister, Executive Secretary

Dear sir:

Herewith you will find all necessary forms for the completion of our Mineral Exploration Program carried on in Navajo County, Arizona for filing in your office, as per your request of July 15, 1964.

If everything is in order, please cancel bond no. 39307-13-1243-63. Thank you very much for bringing this to our attention and if you need any additional information, please do not hesitate to let us know.

Very truly yours,

*E. L. Jensen*  
E. L. JENSEN  
Vice President

ELG:ja

Enclosures



242  
243  
244

XXXXXXXXXXXXXXXXX  
XXXXX

July 15, 1964

United States Fidelity and Guaranty Company  
Thomas Jefferson Building  
14 South Fourth Street  
St. Louis, Missouri 63102

Attention: Olga D. Herman, Underwriter  
Bond and Burglary Department

Re: 39307-13-1243-63 - New Mexico and Arizona Land Company

Gentlemen:

In reply to your letter of July 9, 1964, please be advised that our files indicate that the New Mexico and Arizona Land Company commenced three wells in Navajo County, Arizona, namely:

New Mexico and Arizona Land Company Fee No. 1 Well  
Section 5-T15N-R22E, File No. 242

New Mexico and Arizona Land Company Fee No. 2 Well  
Section 24-T15N-R22E, File No. 243

New Mexico and Arizona Land Company Fee No. 3 Well  
Section 28-T17N-R22E, File No. 244 ✓

Our files further indicate that an Application to Plug and Abandon with a proposed outline of the work to be performed has been filed on the Fee No. 1 and No. 2 Wells, but we are not in possession of the required Plugging Record showing the work as having been completed on these wells. Until such time as the completed Plugging Record has been received and approved by this Commission, the above mentioned bond must remain in force and effect.

In reference to the Fee No. 3 Well, our records show that the well was commenced, but we have no other information. Your liability under the bond does exist until all wells commenced by the New Mexico and Arizona Land Company have been properly plugged and abandoned, at which time this Commission will release your company of any further liability.

The necessary forms are being forwarded to the New Mexico and Arizona Land Company for completion and filing with this office.

Cc: Mr. E. L. Gorsuch, Vice President  
New Mexico and Arizona Land Company  
808 Bank of New Mexico Building  
Albuquerque, New Mexico

Yours very truly,

John Bannister, Executive Secretary



**UNITED STATES FIDELITY AND GUARANTY COMPANY**  
 ST. LOUIS OFFICE  
 THOMAS JEFFERSON BLDG. - 14 S. FOURTH STREET  
 ST. LOUIS, MISSOURI 63102

JOHN W. HOFFMAN  
 MANAGER

TELEPHONE  
 CHESTNUT 1-8100

July 9, 1964

Arizona State Land Department,  
 Oil and Gas Conservation Commission  
 1624 West Adams Street  
 Phoenix, Arizona

Re: 39307-13-1243-63 - New Mexico and Arizona Land Company

Gentlemen:

On August 16, 1963, this company executed a \$10,000.00 Blanket Oil Well Drilling Bond on behalf of New Mexico and Arizona Land Company, 906 Olive Street, St. Louis, Missouri, in favor of the State of Arizona.

Our principal advises that they will do no drilling within the foreseeable future and have requested that the above captioned bond be cancelled. We would appreciate your advising if liability under our bond may be considered terminated.

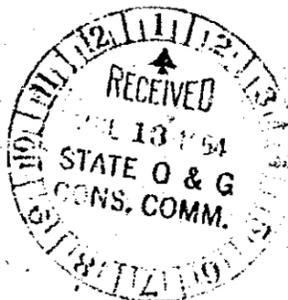
Thank you.

Yours very truly,

*Olga D. Herman*  
 Olga D. Herman, Underwriter  
 Bond and Burglary Department

ODH:CH

242  
 243  
 244



**U. S. F. & G.**

Mr. Lee Gorsuch  
New Mexico and Arizona Land Company  
808 Bank of New Mexico Building  
Albuquerque, New Mexico

Dear Mr. Gorsuch:

As Chairman of the Oil and Gas Conservation Commission of the State of Arizona I am taking this opportunity to advise you of the findings of the Commission with respect to the recent drilling by your company of the well which resulted in a helium blow.

The Commission meeting in executive session to consider the evidence presented by yourself on behalf of the New Mexico and Arizona Land Company concluded the three wells in question were drilled for the purpose of mineral exploration and, as such, the application for a permit to be issued by the Oil and Gas Commission was not required at the inception of the drilling. You are undoubtedly aware of the fact that the intent of the driller at the time he commences drilling is a subjective fact which is difficult to prove or disprove. The Commission has taken cognizance of the absence in the present law of a provision which would more specifically cover situations such as you recently found yourself in. With the view in mind of correcting this situation the Commission is presently conducting a study out of which it is hoped appropriate legislation will develop.

As Chairman of the Commission I wish to take this opportunity to thank you for your cooperation and appearance at our last meeting.

Very truly yours,

R. KEITH WALDEN

September 19, 1963

Mr. H. L. Gornach, Vice President  
New Mexico and Arizona Land Company  
808 Bank of New Mexico Building  
Albuquerque, New Mexico

Dear Lee:

This acknowledges receipt of your \$75 check for three permit fees and your blanket bond for the following three tests, all located southeast of Holbrook in Navajo County, Arizona:

- 1 - New Mexico and Arizona Land Co. #1 Fee, Sec. 5, 14N, 22E
- 2 - New Mexico and Arizona Land Co. #2 Fee, Sec. 24, 12N, 22E
- 3 - New Mexico and Arizona Land Co. #3 Fee, Sec. 27, 17N, 22E

The #1 and #2 which you reported plugged and abandoned will be visited to check requirements for bond release and, of course, your #3 will be completed later as a producer.

On the #1 and #2, since you are finished with them, it will be appreciated if you will send us a copy of the two inch per 100 foot scale log which Schlumberger and others call their field logs. I did not talk with you in regard to this but did understand you ran logs on the wells. I take this opportunity to mention this as I do not think Noel told you we require a copy of all logs run on wells. Since everyone else needs the two inch, I mention it to you for then we can correlate easier with like logs.

In regard to the samples of the cores, I wish to make it clear that I only want a sample every five or ten feet or where a transition or break of importance occurs. I am sure you thought I wanted the whole core. Many operators take their samples to the Four Corners Sample Cut themselves; however, I will phone you so we can meet when I come to Albuquerque to obtain a cut from your cores and take them on to the Cut at Farmington.

When you complete your #3, you can send the completion forms and logs in at your convenience.

Page Two

Mr. Lee Corwuch

Hoping you will visit us when you are in Phoenix and that you have  
huge success with all your undertakings, I am

Yours truly,

John E. Petty  
Acting Executive Secretary

PAUL FANNIN  
GOVERNOR  
R. KEITH WALDEN  
CHAIRMAN  
LYNN LOCKHART  
VICE CHAIRMAN  
CHARLES KALIL, M. D.  
MEMBER  
ROBERT B. HEWARD  
MEMBER  
ORME LEWIS  
MEMBER



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
ROOM 202  
1624 WEST ADAMS  
Phoenix 7, Arizona  
271-5161

N. A. LUDEWICK  
EXECUTIVE SECRETARY  
JOHN K. PETTY  
PETROLEUM GEOLOGIST

September 6, 1963

C  
O  
P  
Y

Mr. Lee Gorsuch  
New Mexico and Arizona Land Company  
808 Bank of New Mexico Building  
Albuquerque, New Mexico

Dear Mr. Gorsuch:

As Chairman of the Oil and Gas Conservation Commission of the State of Arizona, I am taking this opportunity to advise you of the findings of the Commission with respect to the recent drilling by your company of the well which resulted in a helium blow.

The Commission, meeting in executive session to consider the evidence presented by you, on behalf of the New Mexico and Arizona Land Company, concluded that the three wells in question were drilled for the purpose of mineral exploration and, as such, the application for a permit to be issued by the Oil and Gas Commission was not required at the inception of the drilling. You are undoubtedly aware of the fact that the intent of the driller at the time he commences drilling is a subjective fact which is difficult to prove or to disprove.

The Commission has taken cognizance of the absence in the present law of any provision which would more specifically cover situations such as the one in which you recently found yourself. With a view to correcting this situation, the Commission is presently conducting a study out of which it is hoped appropriate legislation will develop.

As Chairman of the Commission, permit me to take this opportunity to thank you for your cooperation and your appearance at our last meeting.

Very truly yours,

R. Keith Walden  
Chairman

REK:ac

cc - (undisclosed) Messres. Lynn Lockhart & John Petty

244

## New Mexico and Arizona Land Company

808 Bank of New Mexico Building  
ALBUQUERQUE, NEW MEXICO

Telephone 242-4044

August 12, 1963

Mr. N. A. Ludewick  
Executive Secretary  
State of Arizona Oil and Gas  
Conservation Commission  
1624 West Adams  
Phoenix 7, Arizona

Dear Sir:

Herewith you will find Township Plats with locations and elevations for our three Strat Tests in Navajo County, Arizona.

Very truly yours,



E. L. Gorsuch  
Vice President

ELG:pmp  
Encls.



244/

August 8, 1963

Mr. E. L. Gorsuch, Vice President  
New Mexico and Arizona Land Company  
808 Bank of New Mexico Building  
Albuquerque, New Mexico

Dear Mr. Gorsuch:

We have your letter of August 7 with your applications for permit to drill strat tests covering your #1, 2 and 3 wells together with application to plug and abandon your #1 and 2 strat tests and well completion reports for wells #1 and 2. We appreciate your promptness in forwarding these applications.

One of our requirements is that a \$25.00 fee should accompany each application to drill but these fees were not included in your letter.

One of our other requirements, as indicated in our rules and regulations, copies of which were sent you, is that a plat showing the location of the proposed wells should accompany each application. These also have not been furnished.

As soon as we have received your blanket bond we will be able to forward the applications to our commission chairman for action.

Your early attention to these details will help expedite any action on these applications.

Yours very truly,

N. A. Ludwick  
Executive Secretary

cc: Mr. R. Keith Walden, Chairman

## New Mexico and Arizona Land Company

808 Bank of New Mexico Building  
ALBUQUERQUE, NEW MEXICO

Telephone 242-4044

August 7, 1963

Mr. N. A. Ludwick  
Executive Secretary  
State of Arizona Oil and Gas  
Conservation Commission  
1624 West Adams  
Phoenix 7, Arizona

Dear Sir:

Herewith you will find application for permit to drill strat tests covering our #1, 2, and 3 wells together with application to plug and abandon our #1 and 2 strat tests and well completion forms for wells #1 and 2.

I have forwarded the blanket surety bond to our people in St. Louis for immediate action and it will be forwarded to you immediately upon receipt by this office.

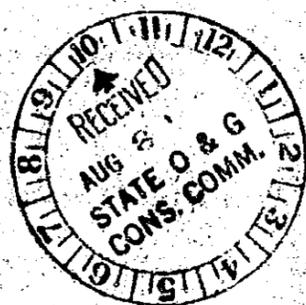
Thank you very much for your cooperation and patience in this matter. I am very sorry for the problems and inconvenience this has caused you, it was quite unintentional on my part as I did not know the extent of your requirements.

Enclosed also is our Organization Report.

Very truly yours,

E. L. Gorsuch  
Vice President

ELG:mp  
Encls.



244

July 31, 1963

Mr. R. Keith Walden, Chairman  
Oil and Gas Conservation Commission  
P. O. Box 1271  
Tucson, Arizona

Dear Mr. Walden:

On the afternoon of July 30 this office began receiving reports from numerous persons that a big gas well was blowing out south-east of Holbrook in Navajo County. These reports came from Stuler and O'Donnell and others who had, no doubt, received them by telephone from Holbrook.

We attempted to confirm these reports yesterday, but to no avail. I called Mr. Heward who advised that he would attempt to ascertain the true picture.

After many telephone calls, as to the report, I asked John Petty to go up to the well location and determine positively the situation. John left late yesterday afternoon.

John called in this afternoon and said the well was located in Sec. 26, T17N, R22E, on the New Mexico-Arizona Land Company acreage, was drilled by Scott Brothers Drilling Company of Albuquerque with a failing 1500 rig.

A total depth of 1015 feet was indicated on the well log at the well as of July 30. A Baroid report indicated that the well had blown out and they were called in to mud it up. This was done. 5½" casing was set at 800 feet.

I called Mr. Gorsuch of New Mexico-Arizona Land Company, Albuquerque, and asked about this well. He told me that this was the 3rd of such stratigraphic tests that they had drilled on their property; that he had no knowledge that any permit was required to drill on their own property and that he would, when supplied, furnish us full information on the organization report, application to drill, well completion report and plugging reports. I told him those would be in the mail today. Mr. Gorsuch said that he did not think that the third

Page Two

Mr. R. Keith Walden

well drilled, which created so much excitement in Holbrook, was a producing well. He thought they had struck a pocket of air which blew for sometime and subsided. He said that the wells were being drilled to check the salt section below the Coconino sands in furtherance with their agreement with Arkansas-Louisiana Gas Company.

Yours very truly,

N. A. Ludewick  
Executive Secretary

July 31, 1963

Mr. E. L. Gorsuch, Vice-President  
New Mexico-Arizona Land Company  
808 Bank of New Mexico Building  
Albuquerque, New Mexico

Dear Mr. Gorsuch:

Confirming our telephone conversation of this afternoon, we  
are forwarding herewith the necessary forms for you to qualify  
to drill stratigraphic tests in this state. You have told me  
that you have recently completed the third of these tests in  
Navajo County.

You will note that we require an organization report, a drilling bond for each well, which can be a blanket bond covering all of your operations, a well completion report, an application to plug and abandon and a report of such plugging and abandoning. We are also enclosing several copies of our rules and regulations.

We appreciate your confidence in disclosing the information as detailed and assure you that the reports given by you as to drilling and completion of these wells will be kept confidential as required by law.

We will appreciate receiving all of these completed forms at your earliest convenience.

Yours very truly,

N. A. Ludewick  
Executive Secretary

encs Application for permit to drill  
Organization Report  
Bond Forms  
Well Completion Reports  
Application to Plug and Abandon  
Plugging Report  
Rules and Regulations