

EASTERN #1 NAVAJO (2601) 523
NE SW 30-20N-28E APACHE CO.

P-W

(Submit in triplicate to appropriate
Regional Oil and Gas or Mining Supervisor)

DESIGNATION OF OPERATOR

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

DISTRICT LAND OFFICE:	Parangton, New Mexico				
SERIAL NO.:	14-20-0600	2348	2351	2602	2605
		2349	2352	2603	2606
		2350	2601	2604	

and hereby designates

NAME: **Eastern Petroleum Company**
 ADDRESS: **P. O. Box 291**
Carmi, Illinois 62821

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

Havajo Allotted Oil & Gas Leases
Township 20 North, Range 28 East
 Section 30: **NW & S/2**
 Section 32: **All**

Township 19 North, Range 28 East
 Section 4: **All**

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

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

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

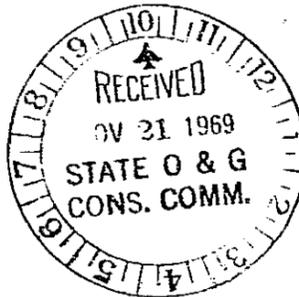
ARIZONA HELIUM CORPORATION

By: *H. B. Hester* **V-President**
 (Signature of lessee)

3500 N. Central, Suite 317
Phoenix, Arizona 85012

10-27-69
 (Date)

(Address)



523

DESIGNATION OF OPERATOR

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

DISTRICT LAND OFFICE: Farmington, New Mexico
SERIAL No.: N00-C-14 2602

and hereby designates

NAME: Eastern Petroleum Company
ADDRESS: P. O. Box 291
Carmi, Illinois 62821

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

Navajo Allotted Oil & Gas Lease

74
SE $\frac{1}{4}$ of Section 30, T. 20 N., R. 28 E.

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

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

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

ARIZONA HELIUM CORPORATION

By: *H. H. Haskin* V-President
(Signature of lessee)

3500 N. Central, Suite 317
Phoenix, Arizona 85012
(Address)

Nov. 7, 1969
(Date)



DESIGNATION OF OPERATOR

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

DISTRICT LAND OFFICE: Farmington, New Mexico
SERIAL No.: N00-C-14 2352

and hereby designates

NAME: Eastern Petroleum Company
ADDRESS: P. O. Box 291
Carmi, Illinois 62821

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

Navajo Allotted Oil & Gas Lease

Lots 1 and 2, E $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 30, T. N.

92
It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

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

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

ARIZONA HELIUM CORPORATION

By: *H. H. Haslem* V-President
(Signature of lessee)

3500 N. Central, Suite 317
Phoenix, Arizona 85012
(Address)

Nov. 7, 1969
(Date)



523

DESIGNATION OF OPERATOR

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

DISTRICT LAND OFFICE: Farmington, New Mexico
SERIAL NO.: NOO-C-14 2601

and hereby designates

NAME: Eastern Petroleum Company
ADDRESS: P. O. Box 291
Carmi, Illinois 62821

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

Navajo Allotted Oil & Gas Lease

Lots 3, 4 and E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 30, T. 20 N., R. 28 E.

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

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

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

ARIZONA HELIUM CORPORATION

By: *H. H. Nashum* V-President
(Signature of lessee)

3500 N. Central, Suite 317
Phoenix, Arizona 85012
(Address)

Nov. 7, 1969
(Date)



523

X-Chiond
X-Lambert

Memo to Eastern #1 Navajo (2601)
T20N, R28E, G & SRM
Sec. 30: NE/4 SW/4
Apache County
Permit #523

Memo from J. Lambert

Navajo Lease #2601 covers Lot 3, 4 E/2 SW/4, Sec.30-T20N, R28E.

Navajo Lease #2602 covers SE/4 of Section 30-T20N-R28E.

Navajo Lease #2352 covers Lot 1,2 E/2 NW/4, Sec. 30-T20N,R28E.

Arizona Helium Corporation is lessee of record of each of the above listed leases. The NE/4 of Section 30 was deeded to Santa Fe Pacific Railroad Company on a private exchange between the U.S. Government and the aforementioned Railroad on 9-18-46 by Patent No. 1121268.

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APPLICATION FOR PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER

APPLICATION TO DRILL DEEPEN PLUG BACK RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

DATE

Eastern Petroleum Company

November 12, 1969

Address

City
Carmi

State
Illinois 62821

P. O. Box 291

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number or name of lessor, if fee lease
Indian NOO-C-14-20-2601, 2602, 2352

Well number
1

Elevation (ground)
5826

Well location and acreage dedicated to the well (give footage from section lines)
1650' EWL; 1650' NSL

Section—township—range or block & survey
30 - 20N - 28E

Field & reservoir (if wildcat, so state)
Wildcat

County
Apache

Distance, in miles, and direction from nearest town or post office
Approximately 8 miles south and east of Navajo, Arizona

Nearest distance from proposed location to property or lease line:
1650 feet

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

Proposed depth:
1100'

Rotary or cable tools
Rotary

Approx. date work will start
Nov. 19, 1969

Number of acres in lease:
640

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

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

Name

Address

Status and amount of bond
\$25,000 Blanket

Organization Report
On file
Or attached

Filing Fee of \$25.00
Attached

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)

Propose to drill and test Shinarump & Coconino formations

All of Section 30 is dedicated to this well.

*Fill in Proposed Casing Program on reverse side

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



Signature
J. Edwards

Date
November 12, 1969

Permit Number: 523

Approval Date: 11/14/69

Approved By: *John Bussister*

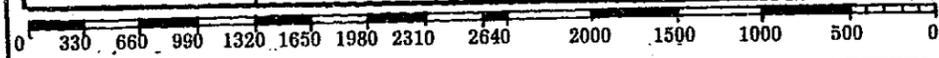
Notice: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.
See Instruction on Reverse Side of Form

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Application to Drill, Deepen or Plug Back and Plat
File Two Copies

Form No. 3

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

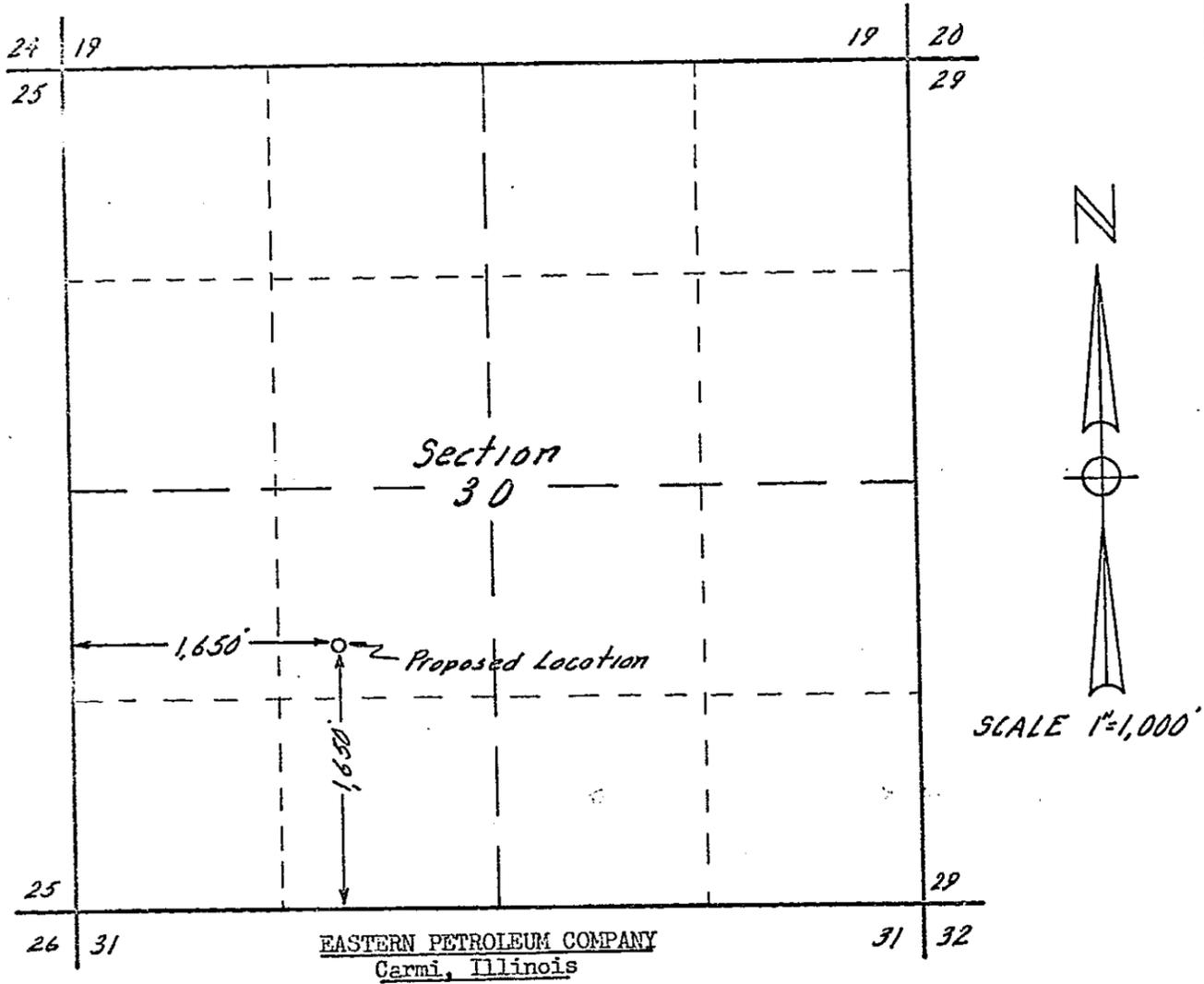
Owner	Land Description
CERTIFICATION	
I hereby certify that the information above is true and complete to the best of my knowledge and belief.	
Name <i>J. N. Edwards</i> J. N. Edwards	
Position Secretary	
Company Eastern Petroleum Co.	
Date November 12, 1969	
I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
Date Surveyed Nov. 8, 1969	
Registered Professional Engineer and Land Surveyor Civil Eng.	
Keith Shreeve	
Certificate No. 6123	



PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement
7" sfc.	24#	H-40	0	90	90	20

WELL LOCATION PLAT
 Sec. 30, T 20 N, R 28 E
 Apache County, Arizona



WELL LOCATION

No. 1 Indian

Located 1650 feet North of the South line and 1650 feet East of the West line of Section 30, Township 20 North, Range 28 East, G&SRB&M, Apache Co., Arizona. Existing ground elevation determined at 5826 feet based on adjoining locations.

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

Keith Shreeve
 Keith Shreeve
 Registered Civil Engineer
 State of Arizona #6123





PERMIT TO DRILL

This constitutes the permission and authority from the
OIL AND GAS CONSERVATION COMMISSION,
STATE OF ARIZONA,

To: EASTERN PETROLEUM COMPANY
(OPERATOR)

to drill a well to be known as

EASTERN PETROLEUM COMPANY #1 NAVAJO (2801)
(WELL NAME)

located 1650' FSL - 1650' FWL

Section 30 Township 20N Range 28E, APACHE County, Arizona.

The entire section (30) of said
Section, Township and Range is dedicated to this well.

Said well is to be drilled substantially as outlined in the attached Application and must be drilled
in full compliance with all applicable laws, statutes, rules and regulations of the State of Arizona.

Issued this 14th day of NOVEMBER, 19 69.

OIL AND GAS CONSERVATION COMMISSION

By John S. Sanson
EXECUTIVE SECRETARY

PRIOR TO BEING ALLOWED TO PRODUCE THIS WELL
YOU MUST BE IN FULL COMPLIANCE WITH RULE
105, SECTION A THRU G (SPACING), WITH RESPECT
TO THE PRODUCT TO BE PRODUCED.

PERMIT No 523

RECEIPT NO. 2857
API NO. 02-001-20122

State of Arizona
Oil & Gas Conservation Commission
Permit to Drill
FORM NO. 27

SAMPLES ARE REQUIRED

September 22, 1970

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois

Re: Eastern #1 Navajo (2601)
NE/4 SW/4 Sec. 30-T20N-R28E
Apache County
Our File #523

Dear Mr. Edwards:

Please refer to our letter dated September 4, 1970, concerning the expiration of your Permit #523. Since we have had no reply from you requesting a renewal of this permit, please consider the permit cancelled as of this date.

Should you desire in the future to drill this well, it will be necessary to submit a new application and the \$25 filing fee.

Very truly yours,

W. E. Allen
Director, Enforcement Section

WEA:jd

September 4, 1970

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois

Re: Eastern #1 Navajo (2601)
NE/4 SW/4 Sec. 30-T20N-R28E
Apache County
Our File #523

Eastern #24 Santa Fe Fee
SE/4 NW/4 Sec. 24-T20N-R27E
Apache County
Our File #536

Dear Mr. Edwards:

Please refer to our letters dated July 22 and August 25, 1970, regarding the above wells. Your Permit No. 536 covering the drilling of your proposed Eastern #24 Santa Fe Fee expired August 20, 1970. We have no information indicating the drilling was started on this well prior to the expiration date. Please consider your permit cancelled. If you plan to drill this location at a later date, it will be necessary for you to file a new Form 3, Application for Permit to Drill, and submit a \$25 filing fee. A new plat will not be necessary if the well is to be drilled on the original location.

Permit #523 on your Eastern #1 Navajo well will expire on September 19, 1970, if operations are not started by that date. Will you please advise this office of your intentions regarding this location.

Very truly yours,

W. E. Allen
Director, Enforcement Section

WEA:jd

July 22, 1970

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois

Re: Eastern #1 Navajo (2601)
NE/4 SW/4 Sec. 30-T20N-R28E
Apache County
Our File #523

Dear Mr. Edwards:

Pursuant to your written request of July 21, 1970, this letter constitutes the Oil & Gas Conservation Commission's permission to extend the permit covering the captioned well for sixty (60) days. If operations on this well are not commenced by September 19, 1970, the subject permit will expire.

Very truly yours,

W. E. Allen
Director of Enforcement Section

WEA:jd



EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.

TELEPHONE 38-24104 • P. O. BOX 291 • CARMIL, ILLINOIS

WA

July 21, 1970

Arizona Oil & Gas Conservation
Commission
1624 West Adam
Phoenix, Arizona

Attention: Mr. Allen

Re: Eastern No. 1 Indian
Permit No. 522
Sec. 30-20N-28E, Apache County

Gentlemen:

As you know from our application we are drilling in the general area of this well.

The surface of this land is owned by C. G. Wallace with whom we have been unable to come to terms. Until such time as we are able to do so we will appreciate your keeping this application active and respectfully request a 60 day extension.

Yours very truly,

J. N. Edwards
EASTERN PETROLEUM COMPANY
by: J. N. Edwards

JNE/jsh



523

July 8, 1970

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois 62821

Re: Eastern #1 Navajo (2601)
NE/4 SW/4 Sec. 30-T20N-R28E
Apache County
Our File #523

Eastern #24 Santa Fe Fee
SE/4 NW/4 Sec. 24-T20N-R27E
Apache County
Our File #536

Eastern #21-1A Santa Fe Fee
NW/4 NW/4 Sec. 31-T20N-R28E
Apache County
Our File #537

Dear Mr. Edwards:

This is to remind you that the sixty-day extension granted to you on your Eastern #1 Navajo, Permit #523, will expire on July 17, 1970. If you wish a further extension on this permit, please advise this office immediately; otherwise, your permit will be allowed to expire on the above date.

Your permit on your Eastern #24 Santa Fe Fee, Permit #536, will expire August 20, 1970; and, the permit on the Eastern #21-1A Santa Fe Fee, Permit #537, will expire on August 27, 1970.

If you do not plan to start drilling operations on these locations by the above dates and wish an extension, please let us know. Thank you for your cooperation.

Very truly yours,

W. E. Allen
Director of Enforcement Section

WEA'jd

May 23, 1970

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois

Re: Eastern #1 Navajo (2601)
NE/4 SW/4 Sec. 30
T20N, R28E, G & SRM
Apache County
Our File #523

Dear Mr. Edwards:

Pursuant to your written request of May 18, 1970, this letter constitutes the Oil & Gas Conservation Commission's permission to extend the permit covering the captioned well for sixty (60) days. If operations on this well are not commenced by July 17, 1970, the subject permit will expire.

Sincerely,

John Bannister
Executive Secretary

jd



EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.

TELEPHONE 38-24104 • P. O. BOX 291 • CARM, ILLINOIS

May 18, 1970

Mr. John Bannister
Oil & Gas Conservation Comm.
1624 West Adams, Room 202
Phoenix, Arizona 85007

Re: Eastern #1 Navajo (2601)
File #523

Dear Mr. Bannister:

Due to circumstances beyond our control we have been unable to
move in on this location.

We respectfully request that our permit be extended another 60
days.

Yours very truly,

EASTERN PETROLEUM COMPANY


J. N. Edwards

JNE: sjn



523

May 13, 1970

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois

Re: Eastern #1 Navajo (2601)
NE/4 SW/4 Sec. 30-T20N-R28E
Apache County, Arizona
Our File #523

Dear Mr. Edwards:

This is to remind you that the expiration date on the captioned permit is this date. If a further extension is required by your company we must receive a letter asking for an extension immediately. If we have no word from you by May 23, 1970, the permit will be cancelled.

Sincerely,

John Bannister
Executive Secretary

jd

February 18, 1970

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois

Re: Eastern #1 Navajo (2601)
NE/4 SW/4 Sec. 30
T20N, R28E, G & SRM
Apache County
Our File #523

Dear Mr. Edwards:

Pursuant to our telephone conversation on February 13 and your written request which followed, this letter constitutes the Oil & Gas Conservation Commission's permission to extend the permit covering the captioned well for 90 days. If operations on this well are not commenced by May 13, 1970, the subject permit will expire.

Sincerely,

John Bannister
Executive Secretary

jd



EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.

TELEPHONE 38-24104 • P. O. BOX 291 • CARMI, ILLINOIS

February 13, 1970

Mr. John Bannister
Oil & Gas Conservation Comm.
1624 West Adams, Room 202
Phoenix, Arizona 85007

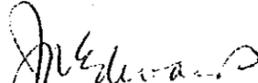
Re: #1 Navajo (2611)
NE SW Sec. 30-20N-28E
Apache County, Arizona

Dear Mr. Bannister:

To date we have been unable to find a rig available to drill captioned well; however, we do wish to continue the permit in an active status for the next 60 days and ask that you give consideration to this request.

Yours very truly,

EASTERN PETROLEUM COMPANY


J. N. Edwards

JNE:sjn



523

January 28, 1970

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois 62821

Re: Eastern Petroleum Company #1 Navajo (2601)
NE/4 SW/4 Sec. 30-20N-28E
Apache County
Our File #523

Dear Mr. Edwards:

As you are aware, pursuant to Rule 102.3 the permit covering the captioned well will expire on February 12, 1970. Will you please advise us of your intentions concerning this permit.

Sincerely,

John Bannister
Executive Secretary

JB:jd

X-Chrono

X-Chicago
V-Southern

November 25, 1969

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois 62821

Re: Eastern #1 Navajo (2601)
T20N, R28E, G & SRM
Sec. 30: NE/4 SW/4
Apache County
Permit #523

Dear Mr. Edwards:

We received the Designation of Operator Form from Arizona Helium Corporation. It will not be necessary to furnish us a Designation of Operator on the Santa Fe Fee lands if you, in fact, are a Lessee of Record on such lands. We point out to you the possibility of financial loss to you should this not be the case.

It is the function of this Commission to assist the drillers and operators. We're sorry that you feel that our attitude is obstructive.

The Application to Drill Form you completed on this captioned well indicated that you were the only owner in the

523

Page 2
Mr. J. N. Edwards
November 25, 1969

indicated acreage outlined on the plat. This office felt that you must have misunderstood the question and was trying to protect you as investor-operator when we discovered that the lands you purported to own were, in fact, held by Arizona Helium and Santa Fe Pacific Railroad according to the records.

Yours truly,

James A. Lambert
Administrative Assistant

JAL:jd



EASTERN PETROLEUM CO.
EASTERN DRILLING, INC.

TELEPHONE 38-24104 • P. O. BOX 291 • CARMEL, ILLINOIS

November 19, 1969



Mr. James Lambert
Oil & Gas Conservation Comm.
1624 West Adams, Room 202
Phoenix, Arizona 85007

Re: Eastern #1 Navajo (2601)
Apache County

Dear Mr. Lambert:

Arizona Helium Corporation is the lessee of record of certain Allotted Indian lands in Apache County. Arizona has supplied us with Designation of Operator form which is filed with U. S. Geological Survey in Farmington. I trust you will find this xerox copy satisfactory for your purpose.

As to the NE/4 owned by Santa Fe and leased to us, this is the first request ever for such form. Is this something new? It seems superfluous to me.

Yours very truly,

EASTERN PETROLEUM COMPANY

J. N. Edwards
J. N. Edwards

JNE:sjn

Enc.

523

X - Cheno
X - Lambert
~~#~~

November 17, 1969

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois 62821

Re: Eastern #1 Navajo (2601)
T20N, R28E, G & SRM
Sec. 30: NE/4 SW/4
Apache County
Permit #523

Dear Mr. Edwards:

Please furnish us Designation of Operator on each of the three leases. Please furnish us a Designation of Operator on the NE/4 of Section 30-T20N-R28E. A search of the records indicates that this land was privately exchanged on September 18, 1946, under Patent No. 1121268 to the Santa Fe Pacific Railroad. We must have a Designation of Operator from that organization, their successor, or the lessee of records at this time.

Yours truly,

James A. Lambert
Administrative Assistant

JAL:jd

X-Checked

November 14, 1969

Mr. J. N. Edwards
Eastern Petroleum Company
P. O. Box 291
Carmi, Illinois 62821

Re: Eastern #1 Navajo (2601)
T20N, R28E, G & SRM
Sec. 30: NE/4 SW/4
Apache County
Permit #523

Dear Mr. Edwards:

Enclosed is your approved Application for Permit to Drill,
Receipt No. 2857 covering the \$25 filing fee, a copy of
the plat, and the Permit to Drill No. 523.

Also enclosed are miscellaneous instruction sheets pertain-
ing to well samples and reports required by this office.

Yours truly,

John Bannister
Executive Secretary

jd
Enc. (6)

EASTERN PETROLEUM CO.
 ACCOUNT NO. 3
 CARM, ILL.

DETACH AND RETAIN THIS STATEMENT
 THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
 IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

INVOICE		DESCRIPTION	TOTAL AMOUNT	DEDUCTIONS		NET AMOUNT
DATE	NO.			DISCOUNT	FREIGHT	
		Application for permit to drill Indian #1, Sec. 30-20N-28E, Apache County, Arizona				25.00

