

CONFIDENTIAL

Release Date 8-9-76

P-14

TENNEY #3 STATE [REDACTED]
SE SW Sec. 36-9S-27E GRAHAM 541

sl

COUNTY Graham AREA 20 mi. N.Bowie LEASE NO. State 12053

WELL NAME Tenney #3 State

LOCATION SE/4 SW/4 SEC 36 TWP 9S RANGE 27E FOOTAGE 1960' FWL-890' FSL

ELEV 3265' GR KB SPUD DATE 4-29-70 STATUS P&A TOTAL COMP. DATE 2-6-71 DEPTH 3500'

CONTRACTOR Ivan D. Tenney

CASING SIZE	DEPTH	CEMENT	LINER SIZE & DEPTH	DRILLED BY ROTARY
18"	623'	none	NA	DRILLED BY CABLE TOOL <u>X</u>
13"	1250'	none		PRODUCTIVE RESERVOIR <u>Tankey</u>
8 5/8"	1450'	none		INITIAL PRODUCTION <u>Dry Hole</u>
7"	2095'	none		

FORMATION TOPS	DEPTHS	SOURCE		REMARKS
		L.L.	E.L.	
see file		X		Small amount of salt water

ELECTRIC LOGS	PERFORATED INTERVALS	PROD. INTERVALS	SAMPLE LOG
None	NA	NA	Am Strat
<u>Am Strat</u>			SAMPLE DESCRP.
			SAMPLE NO. <u> </u> *
			CORE ANALYSIS <u> </u>
			DSTs <u> </u>
			*Tucson #3047

REMARKS	APP. TO PLUG	PLUGGING REP.	COMP. REPORT
See pollen report from Chuck Needham	<u>X</u>	<u>X</u>	<u>X</u>

WATER WELL ACCEPTED BY _____

BOND CO. United States Fidelity & Guaranty BOND NO. 60-0130-1528-70
 BOND AMT. \$ 5,000 CANCELLED 7-24-72 DATE _____ ORGANIZATION REPORT 6-9-70
 FILING RECEIPT 2875 LOC. PLAT X WELL BOOK X PLAT BOOK X
 API NO. 02-009-20001 DATE ISSUED 8-5-70 DEDICATION E/2 SW/4

PERMIT NUMBER 541 (over) **CONFIDENTIAL**
 Release Date 8-9-71

sl

COUNTY Graham AREA 20 mi. N. Bowie LEASE NO. State 12053

WELL NAME Juan P. Tenney #3 State

LOCATION SE/4 SW/4 SEC 36 TWP 9S RANGE 27E FOOTAGE 1960'FWL-890'FSL

ELEV 3265' GR KB SPUD DATE 4-29-70 STATUS P&A TOTAL DEPTH 3500'

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8 5/8"	1450'	none		INITIAL PRODUCTION <u>Dry Hole</u>
7"	2095'	none		

FORMATION TOPS	DEPTHS	SOURCE		REMARKS
		L.L.	E.L.	
see file		X		Small amount of salt water

ELECTRIC LOGS	PERFORATED INTERVALS	PROD. INTERVALS	SAMPLE LOG
None	NA	NA	Am Strat
<u>Am Strat</u>			SAMPLE DESCRP.
			SAMPLE NO. <u> </u> *
			CORE ANALYSIS <u> </u>
			DSTs <u> </u>
			*Tucson #3047

REMARKS See pollen report from Chuck Needham

APP. TO PLUG X

PLUGGING REP. X

COMP. REPORT X

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(over)

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DRILL STEM TEST

NO.	FROM	TO	RESULTS
			NA

CORE RECORD

NO.	FROM	TO	RECOVERY	REMARKS
				NA

REMEDIAL HISTORY

DATE STARTED - COMPLETED	WORK PERFORMED	NEW PERFORATIONS

ADDITIONAL INFORMATION

WELL COMPLETION OR RECOMPLETION REPORT AND WELL LOG

DESIGNATE TYPE OF COMPLETION:

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

DESCRIPTION OF WELL AND LEASE

Operator I. D. TENNEY		Address 600 Hill Road Marshall Michigan	
Federal, State or Indian Lease Number or name of lessor if fee lease STATE		Well Number 3	Field & Reservoir TANKEY
Location 1760 F.W.L. 890' FSL		County Graham	
Sec. TWP-Range or Block & Survey 36 - Township 9S, Range 27E.			
Date spudded 4-29-70	Date total depth reached 1-6-71	Date completed, ready to produce None	Elevation (DF, REB, RT or Gr.) feet None
Total depth 3500	P.B.T.D. 0	Single, dual or triple completion? None	If this is a dual or triple completion, furnish separate report for each completion.
Producing interval (s) for this completion None		Rotary tools used (interval)	Cable tools used (interval) Cable Tools
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) None			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
	19"	18"	375 Well	623	None	All
	14"	13"	50 lb.	1250	None	750 st
	10 3/4"	8 3/8"	24 lb. Cramer	1420	None	All
	8 5/8"	7"	20 lb.	2095	None	All -

TUBING RECORD

LINER RECORD

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

PERFORATION RECORD

ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD

Number per ft.	Size & type	Depth Interval	Amt. & kind of material used	Depth Interval
	Not Perforated			

INITIAL PRODUCTION

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

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 Interest Holder of the I. D. Tenney (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 **Feb-9-71**

Signature **Leonard Schaefer**

RECEIVED

FEB 11 1971

O & G CONS. COMM.

Permit No. **5411**

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

Form No. 4

File One Copy

DETAIL OF FORMATIONS PENETRATED

Formation	Top	Bottom	Description*
Sandy soil	0	5	surface water. <u>small amount</u>
Sand & clay	5	120	
Sand	120	240	
cong-	240	360	
Brown clay & sand	360	400	- small amount salt water at 1240 ft
Blue clay-	400	1200	
Blue clay & anhy-	1200	1300	
anhy & Blue clay	1300	1410	
anhy	1410	1525	
Brown shale & anhy	1525	1635	
anhy-	1635	1660	
Brown shale & anhy	1660	1825	
Brown sticky clay	1825	1895	
Gray shale & anhy	1895	2140	
anhy & salt.	2140	2475	T.D.
anhy-	2475	2685	
anhy & shale	2685	2750	
Lime	2750	2795	
Lime anhy & shale	2795	3150	
anhy	3150	3200	
anhy & Brown shale	3200	3500	

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

INSTRUCTIONS:

Attach drillers log or other acceptable log of well.

This Well Completion or Recompletion report and well log shall be filed with the State of Arizona Gas Conservation Commission not later than thirty days after project completion.

PLUGGING RECORD

Operator <u>I. D. Turney</u>		Address <u>600 Hill road Marshall Michigan</u>			
Federal, State, or Indian Lease Number or lessor's name if fee lease. <u>State</u>		Well No. <u>3</u>	Field & Reservoir		
Location of Well <u>3-1940-7WL 890' 75L</u>		Sec-Twp-Rge or Block & Survey	County <u>Ingham</u>		
Application to drill this well was filed in name of <u>I. D. Turney</u>	Has this well ever produced oil or gas <u>no</u>	Character of well at completion (initial production): Oil (bbls/day) Gas (MCF/day) Dry? <u>X</u>			
Date plugged: <u>Feb 6-71</u>	Total depth <u>3500 ft</u>	Amount well producing when plugged: Oil (bbls/day) Gas (MCF/day) Water (bbls/day) <u>none</u>			
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		
	<u>surface water</u>	<u>120 ft to 240 ft</u>	<u>mud & cement 40.5</u>		
	<u>very little salt water</u>	<u>1200 - 1260</u>	<u>mud, cement 35.5</u>		
	<u>None.</u>	<u>3500 ft.</u>	<u>mud & cement 25.5</u>		
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
<u>18"</u>	<u>623</u>	<u>623</u>	<u>None</u>		
<u>18"</u>	<u>1250</u>	<u>750</u>	<u>500 ft</u>	<u>Pull to</u>	
<u>8 7/8"</u>	<u>1450</u>	<u>1450</u>	<u>None</u>		
<u>7"</u>	<u>2095</u>	<u>2095</u>	<u>None.</u>		
Was well filled with mud-laden fluid, according to regulations? <u>Yes -</u>		Indicate deepest formation containing fresh water. <u>120 to 240 ft</u>			
NAMES AND ADDRESSES OF ADJACENT LEASE OPERATORS OR OWNERS OF THE SURFACE					
Name <u>None -</u>	Address		Direction from this well:		
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.					
<u>will over plug with mud & cement plugs - to surface</u>					
<u>all water sand cover with cement</u>					
Use reverse side for additional detail.					
CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <u>intent holder</u> of the <u>I. D. Turney</u> (company) and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.					
Date <u>Feb-9-71</u>		Signature <u>Leonard Schaefer</u>			
RECEIVED		STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION			
FEB 11 1971		Plugging Record File One Copy			
O & G CONS. COMM.		Form No. 10			
Permit No. <u>A 541</u>					

APPLICATION TO ABANDON AND PLUG

FIELD TANKEY
 OPERATOR TENNEY I. D. ADDRESS 600 Hill Road, MARSHFIELD MICHIGAN
 Federal, State, or Indian Lease Number or Lessor's Name if Fee Lease STATE WELL NO. 3 - 12053
 SURVEY 1946' FWL. 890' FSL SECTION 36-Township 9S. COUNTY GRABHAM
 LOCATION E2 - S.W. 1/4 RANGE 27E

TYPE OF WELL DRY HOLE TOTAL DEPTH 2500
(Oil, Gas or Dry Hole)

ALLOWABLE (If Assigned)

LAST PRODUCTION TEST OIL none (Bbls.) WATER surface (Bbls.)
 GAS none (MCF) DATE OF TEST

PRODUCING HORIZON none PRODUCING FROM none TO

1. COMPLETE CASING RECORD 672 ft. 18" 1256 ft. 12" - 858 - 1450 ft
7" ct. - 1825 - Steam to 2092 - ft.

2. FULL DETAILS OF PROPOSED PLAN OF WORK pull casing and plug well
To state requirement - (50ft. Cement Plug in bottom,
Heavy mud to 1250ft. 75ft cement Plug to 1175, Heavy
mud to 25', 25ft cement Plug to surface with
dry hole marker placed in cement - This program
approved ver bally 1-18-71 via telephone with Schooler, (O&G)

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 soon as approved
 NAME OF PERSON DOING WORK L.M. Schooler ADDRESS P.O. Box 963 Willcox Ariz
 CORRESPONDENCE SHOULD BE SENT TO L.M. Schooler

RECEIVED

JAN 19 1971

O & G CONS. COMM.

Name

Title

Address

Date

Date Approved 1-19-71
 STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 By: [Signature]

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

Permit No. 541

10

SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator T.D. Tenney - 600 Hill Road Marshall Michigan
 2. OIL WELL GAS WELL OTHER (Specify) _____
 3. Well Name T.D. Tenney State # 3
 Location 1960 St. 7th W.L. 860 7th St.
 Sec. 36 Twp. 9S Rge. 27E County Graham Arizona.

4. Federal, State or Indian Lease Number, or lessor's name if fee lease _____

5. Field or Pool Name Tenney

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

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

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

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

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FEB 11 1971

O & G CONS. COMM.

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

Signed Leonard Seavaler Title instant holder Date Feb-9-71

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

File No. 541

Permit #541

PALYNOLOGY, TENNEY #3 STATE OF ARIZONA
36-93-27E Graham Co

The cuttings from the subject well were composited at 50' intervals resulting in 45 samples. The total interval in the well is from 1210' to 3500'. These samples were processed and examined for pollen, spores and dinoflagellates.

Recovery was good from most of the samples. The critical pollen and spores examined in the entire interval studied (1210'-3500') have a stratigraphic range of Miocene-Recent. The possibility exists that the palynomorphs may be in part or entirely modern contamination. (Usual sources of modern contamination are water from surface ponds and lignite mud additives.) The palynomorphs appear to be in place because samples from different depths of the hole show different degrees of weathering, different degrees of staining and varying relative abundance of certain species. Dinoflagellates, in limited numbers, are present in two samples and absent in the others. The critical age diagnostic forms are indicated by known stratigraphic ranges in the listings below.

The samples from 1210' to 2162' contain abundant, well preserved and well stained pollen and spores. This interval is typified by the sample at 1700'-1750':

Gramineae (Middle Eocene-Recent)
Chenopodiaceae
Compositae low and high spined (Upper Oligocene-Recent)
Artemisia (Upper Miocene-Recent)
Pinus
Quercus
Taxodium
Ephedra

The sample at 2100'-2160' contained the following palynomorphs:

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FEB 09 1973

O & G CONS. COMM.

From: C.N. Needham
Mobil Oil

August 17, 1972

Compositae
Gramineae
Pinus
Ephedra
Chenopodiaceae
Artemisia
Selaginella

Larix
Onagraceae
Taxodium
"Liliacidites"
Malvaceae (Miocene-Recent)
Taraxacum

The interval from 2180¹ to 2500¹ mentioned in the request letter as being of special interest does not differ from the shallower samples in pollen and spore content. Two samples of this interval contain marine(?) dinoflagellates. (Modern dinoflagellates occur in fresh water. Fossil dinoflagellates have not been demonstrated to occur in nonmarine sediments.) Sample 2300¹-2350¹ contains the following palynomorphs:

<u>Liliacidites</u> cf. <u>L. complexus?</u>	<u>Artemisia</u>
<u>Chenopodiaceae</u>	<u>Gramineae</u>
<u>Ephedra</u>	<u>Carya</u>
<u>Compositae</u>	<u>Selaginella</u>
<u>Pinus</u>	<u>Deflandrea-like</u>

The sample at 2350¹-2400¹ contains the following palynomorphs:

<u>Pinus</u>	<u>Compositae</u>
<u>Gramineae</u>	<u>Taxodium</u>
<u>Chenopodiaceae</u>	<u>Onagraceae</u>
<u>Selaginella</u>	<u>Ephedra</u>
<u>Artemisia</u>	<u>Chorate dinoflagellate</u>

The samples from 2400¹-2600¹ are effectively sterile.

The interval from 2600¹-3200¹ contains a weathered, yellow brown and poorly stained assemblage of the same pollen and spores as the preceding samples. The sample at 2900¹-2950¹ is representative:

<u>Pinus</u>	<u>Monosulcate reticulate pollen</u>
<u>Chenopodiaceae</u>	<u>Ephedra</u>
<u>Compositae</u>	<u>Onagraceae</u>
<u>Taxodium</u>	<u>Fungal spores</u>

Two samples of this interval contain very abundant pine pollen (Pinus). A check list for one of these (3100¹-3150¹) is provided:

<u>"Liliacidites"</u>	<u>Chenopodiaceae</u>
<u>Pinus</u>	<u>Selaginella</u>
<u>Compositae</u>	<u>Onagraceae</u>
<u>Ephedra</u>	

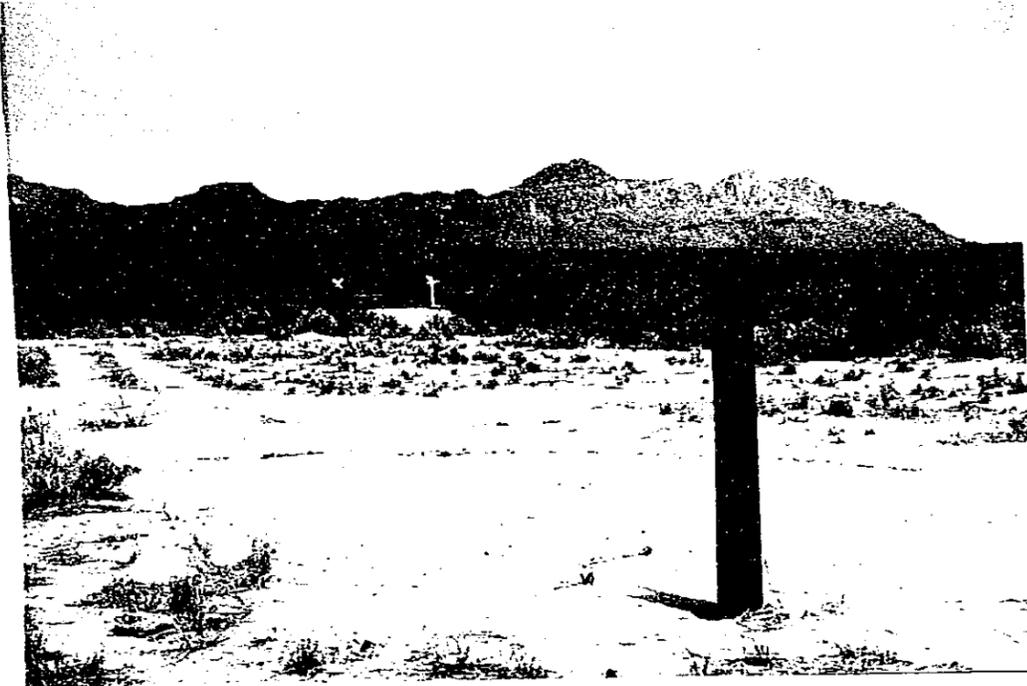
August 17, 1972

The sample at 3250'-3300' contains abundant, dark stained pollen and spores as well as much dark plant debris.

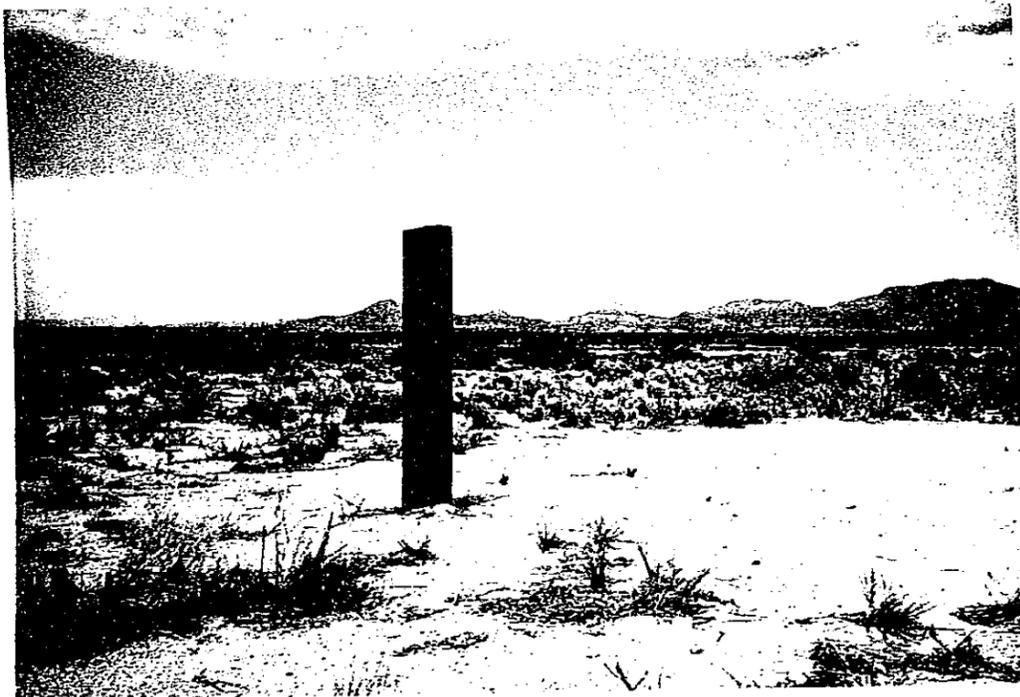
The deepest sample, 3450'-3500', is characteristic of the remaining samples and contains the following palynomorphs:

Pinus
Ephedra
Chenopodiaceae
Compositae
Schizea

"Liliacidites"
Onagraceae
Podocarpus
Malvaceae (Miocene-Recent)

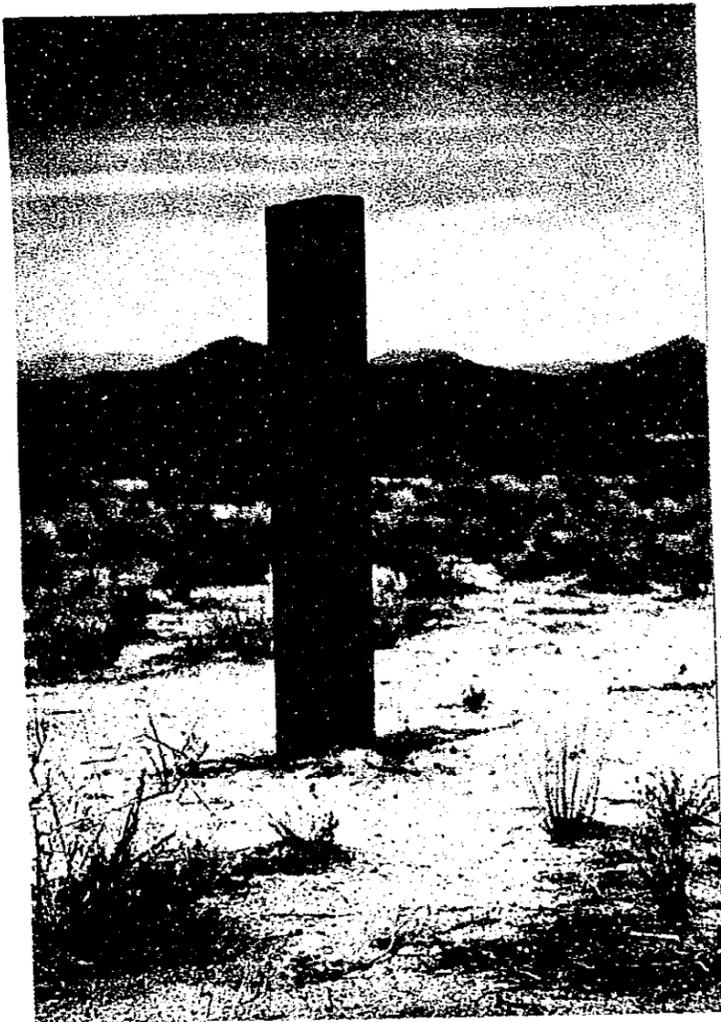


View East toward Whitlock Mountains in background



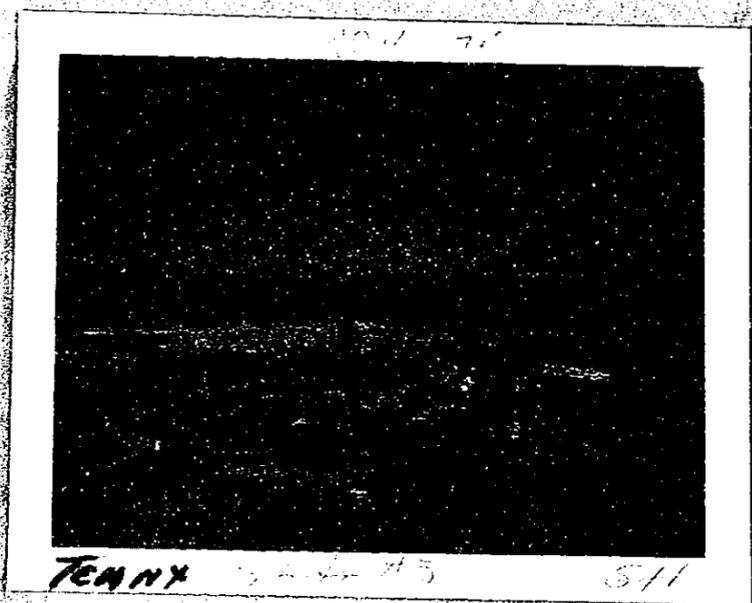
View Northeast toward north end of Whitlock Mountains in background

Ivan D. Tenny # 3 State (Permit No. 541)
se sw 36-9s-27e, Graham Co., Arizona
P&A 2-6-71 Photo taken May 1999



View Northeast toward north end of Whitlock Mountains in background

Ivan D. Tenny # 3 State (Permit No. 541)
se sw 36-9s-27e, Graham Co., Arizona
P&A 2-6-71 Photo taken May 1999



In connection with letter NOV. 15, 1971 on other side

5

TO ANNE Well No 3

WELL SITE CHECK

By _____
Date _____

Contractor _____ Person(s) Contacted _____

Spud date _____

Type Rig _____ Rotary Cable _____ Present Operations _____

Samples _____

Pipe _____ Drilling with Air _____ Mud _____

Water Zones _____ Size Hole _____

Lost Circ. Zones _____ Size Drill Pipe _____

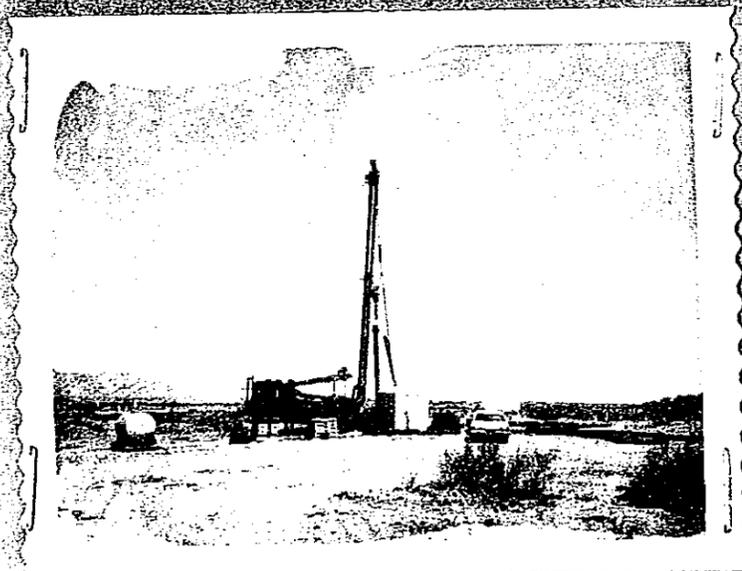
Formation Tops _____ Type Bit _____

Cores, Logs, DST _____ No. Bit _____ Drilling Rate _____

_____ Formation _____

Crews _____ Lithology _____

REMARKS, PHOTO, MAP



6
WELL NAME _____

Permit No. 541
Confidential: Yes No

January 20, 1971

Memo from W. E. Allen, Director
Enforcement Section.

Memo to Tenney #3 State 12053
SE/4 SW/4 Sec. 36-T9S-R27E
Graham County
Our File #541

Mr. Schooler reported that they had succeeded in freeing the 7" casing and had laid down one joint. If he is successful in securing workers to assist in pulling pipe, he will start laying down 7" Thursday, January 21, 1971.

He has promised to keep me informed as to his operations.

January 18, 1971

Memo from W. E. Allen, Director
Enforcement Section

Memo to Tenney #3 State 12053
SE/4 SW/4 Sec. 36-T9S-R27E
Graham County
Our File #541

Lawrence Schooler called this morning. It has been decided to plug the above well. Mr. Schooler said that Form 9, Application to Abandon and Plug, was in the mail; and, he said it should be received today. He wanted permission to start operations now. He will pull 7" casing first then place a 50' cement plug in the bottom. The 85/8" will then be pulled after filling the hole from bottom to the bottom of the 85/8" with heavy mud. After the 85/8" has been pulled, heavy mud will then be placed to the bottom of the 13-3/8". The 13-3/8" will be pulled and a 75' cement plug will be placed from approximately 1200' to 1275'. The interval from the top of the cement plug to 25' from the surface will then be filled with heavy mud and a 25' cement plug will be placed to the surface with a dry hole marker imbedded in the cement.

Verbal permission was given Mr. Schooler to commence the plugging operations with the understanding that he would keep me posted and call me prior to placing any plugs in this hole.

January 7, 1971

Memo to Tenney #3 State 12053
SE/4 SW/4 Sec. 36-T9S-R27E
Graham County
Our File #541

Memo from W. E. Allen, Director
Enforcement Section

Total depth 3500' in brown shale, anhydrite, and salt. Mr. Schooler advised me this morning that this well reached 3500' which was the original contract depth on January 6, 1971. Mr. Tenney is to meet with his group within the next few days to decide what course of action they wish to pursue.

The samples from this well have been carried to Tucson and a geologist (name unknown) was employed to analyze same. The geologist informed the operators that they were still in valley fill.

Seven-inch casing which is the last string of pipe set in this hole has been run to 2090'.

12

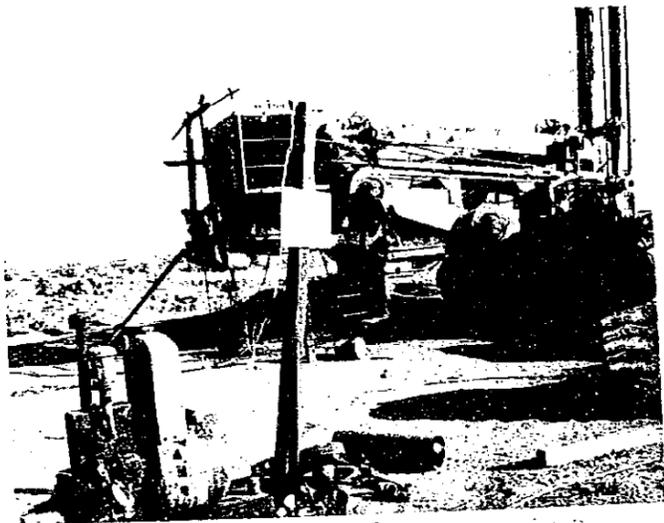
January 5, 1971

Memo from Edward A. Kosster

Memo to Tenney #3 State 12053
SE/4 SW/4 Sec. 36-T9S-R27E
Graham County
Our File #541

Wes Peirce, Arizona Bureau of Mines, called. He has run samples 2970-3050'. They are Tertiary (?) anhydrite and interbedded mudstone. If basement is reached, Wes expects them to go from sediments into Mesozoic Volcanics or Pre-Cambrian granite.

Bob Ross is well-site geologist for Tenney. He is from San Antonio, Texas.



Hoist #3 11-9-40



Hoist #3 11-9-40



Hoist #3 11-9-40

November 9, 1970

Memo from W. E. Allen

Memo to: Tenney #3 State 12053
SE/4 SW/4 Section 36-T9S-R27E
Graham County
Our File #541

In conversation with Lawrence Schooler concerning the progress on the above well. Mr. Schooler advised that operations on this well were shut down for several weeks during the time that he was in the hospital.

Total depth of this well remains at 1825'. All but 60' of the 10" casing has been removed from this hole. 60' of pipe is on the bottom. They were able to run their tools through this 60' of 10" and so it was decided to attempt to run 8" to ~~XXXX~~ bottom so drilling could be resumed. As of now they have gotten the 8" inside the 10" but are unable to work ~~X~~ it completely through. They are shut down awaiting approval to run 7" casing to ~~XX~~ bottom so drilling can be resumed.

September 8, 1970

Memo from W. E. Allen

Memo to Tenney #3 State
SE/4 SW/4 Sec. 36-T9S-R27E
Graham County
Our File #541

Total depth 1825'. Discussed this well with Mr. Schooler. They are having trouble with the well caving. He has requested permission from Tenney to run 8" casing to total depth and pull the 10" casing that is now set at 1400'. Mr. Schooler is of the opinion that they drilled out of the valley fill at 1200'. At any rate, they picked up a small amount of salt water at this depth.

August 12, 1970

Memo from John Bannister

Memo to Tenney #1 State
SW/4 SE/4 Sec. 36-T9S-R27E
Graham County

Tenney #2 State
SW/4 SE/4 Sec. 36-T9S-R27E
Graham County

Tenney #3 State
SE/4 SW/4 Sec. 36-T9S-R27E
Graham County
Our File #541

On 8-12-70 I contacted Mr. Hank Fenn, representative from Cochise County in Benson. He advised that he wanted to go to the captioned wells with me. When I met with him in person, his affairs were such that he was unable to go. I had a long discussion of the total Tenney situation with Mr. Fenn during which I pointed out the many violations of our rules and regulations prior to the Commission coming into the act. I answered his questions concerning State bonding and his having been informed that a portion of the reason for difficulty in Mr. Tenney's securing a bond was the fact that the Commission did not promptly release a bond filed with it. I corrected this impression. Mr. Fenn was satisfied with the Commission's treatment of Mr. Tenney's case and advised that he hoped to be on the Natural Resources Committee this coming season of the Legislature and offered any help the Commission may need with this Committee.

On arrival in Wilcox to keep an appointment with Mr. Schooler, I found that Mr. Tenney, too, was in town. A complete discussion of the wells and their current status was had with both gentlemen. The three of us went to the location. I found that the location site for the Tenney #1 and #2 State had been cleaned and cleared. However, I ordered a better packing of the earth around the location markers. At this time the markers though erected did not contain the necessary sign. Mr. Schooler informed me that a welder was to report to the site on Monday, August 17; and, that

August 12, 1970
Page 2
Tenney #1, 2, and 3

these signs will be erected. I also expressed the desire that the top of the four inch pipe protruding from the ground be covered in such a way that in the event a child was on the site they could not get their hand stuck in the pipe. They agreed to this and will get it taken care of. Mr. Schooler has in his possession all of the necessary forms to complete our files and advised that they will be in in the very near future.

As to the #3 well, Mr. Schooler is waiting on a delivery of ten inch pipe from Wichita Falls, Texas. This pipe is due in any day. He further advised as to this well, he does not as of this time have a crew but expects to commence drilling operations in the near future. Both men advised this Commission that our shut-in order has not caused financial hardship on them on this well inasmuch as due to the pipe, crew, etc., they would probably have been shut in anyway. Both expressed their appreciation of this Commission's efforts. Mr. Schooler further advised that the ten inch pipe on which he is waiting will be set to total depth, currently at approximately 1195'. It is apparently their intention to take this hole down to between 2500' and 3000' with cable tool and then, if a promising formation is encountered, to continue the well by rotary to 4000' or more.

Mr. Schooler furnished the following elevation to me. The elevation of the #1 and #2 is 3255' for both wells. The #3 has an elevation of 3265'. The pits for the #1 and #2 wells have been closed in; however, the mounds of dirt were somewhat high. Inasmuch as the dirt was quite loose, I felt it was alright as it will compact as it settles and become about the level of the surrounding land.

August 3, 1970

Memo from James Scurlock

MEMO to Tenney #3 State 12053
SE/4 SW/4 Sec. 36-T9S-R27E
Graham County

Representative from ~~KIRKMAN~~ Wilcox, Hank Fenn, called this date. He would like to be informed as to the progress of this case and in fact would like to travel out to the well site the next time one of the members of this office visit the well. He wants to do this in order to become familiar with the operations of Mr. Tenney.

His home telephone is 586-2514
His business phone is 586-3023



TD 1230' (?) 1240'

To reach location

On Hwy 666 (Safford-Willcox) 1/2 mi N of Intersection with 266 go E approx 11 miles to railroad. Drilling well is W of tracts ~~water~~ water well is E of tracts - approx 200 yds between wells.



TD 80' (?)

Wells in Graham County

JB 6-3-70

Ross & PENNEY
Sec 36 SW/4 -

L.N. Scheeler

P.O. Box 963 Wilcox Ph 384-2906

IVAN B. PENNEY

600 Hill Road

Marshall, Mich. 49068

ph 616-781-8953

(money)

Ross & Penney #3

RIG: 33 WALKERNEER Cable tool.

proposed depth 3500'

spud date: 4-30-70

Working 2 crews (24 hrs. basis)

Set 18" @ 623' (No cement)

Set 12³/₄" @ 1195' (No cement)

Currently drilling 12¹/₂" (plan to set 10³/₄" @ about 1800')

(located 1320' west
of Well # 1(?))

(taking 10' smpls)

Bob Ross

Ph 512-734-4495

249 Shady View Dr.

San Antonio 78201

80 yr old
"home trained geologist"

Two other wells abandoned @ collapsed casing.

Well #1 abandoned — pipe collapsed. (TD 630)

Well #2 " — 3 strings pipe collapsed (TD 1100)

Hal Susie - BLM
phone 6-1-70

Well in SW(?) of
Sec 36-95-27E
(Near TANQUE)

Apparently an oil test
turned into water well
- pits not filled
location not cleaned

State lease 12053

Ross
Schroeder
N/Schroeder
3 Wells
No water
well
1230'
Robert Ross San Antonio
N/2 249 Shady View Dr
S/2 - Ivan Tenney 12053-01
600 Hill Road
Marshall, Mich.
State owns Sub Surface

616
721-8953
Home

6-5-70

Memo: File (Ross & Tenney)
From: John Bannister

On June 1, 1970, Mr. Hal Susi of BLM phoned this office, requesting information as to a well being drilled in the SW/4 of Section 36, T9S, R27E, near Tanque. This office had no record of permits issued in this area.

Investigation ^{R27E} revealed that State Lease 12053 covers all of Section 36, T9S ~~R7E~~. Currently, the N/2 of said section is leased by Robert Ross of 249 Shady View Drive, San Antonio, Texas. The S/2 is leased to Ivan Tenney of 600 Hill Road, Marshall, Michigan. The S/2 carries Lease Designation 12053-01.

On June 3, 1970, I drove to the well site. To reach the well, go south from Safford on State Highway 666 until you are .1 mile north of the intersection of State Highway 666 and State Highway 266. A dirt road goes east to Tanque. Tanque is just a name and there are no dwellings, etc., at this location. The wells involved are located where this dirt road crosses the Southern Pacific Railroad, approximately 11 miles from Highway 666.

Upon arrival, I found a drilling rig set up, mud pit, etc., the dog house was locked up, there was a truck but no people were present. The rig apparently had been idle for some days. The drilling rig is located on the west side of the railroad tracks, approximately 200 yards east and on the east side of the railroad tracks is a water well with a small pumping jack. This location still has uncovered pits, trash, etc., in evidence. There is a hose connecting the water well with the drilling site. I spent some time at the site but no one showed up. Prior to leaving I posted a notice that no further work was to be done until such time as this Commission was contacted.

On June 4, 1970, I telephoned Mr. Ivan Tenney in Marshall, Michigan, (616) 781-8953. Mr. Tenney advised that a Lawrence N. Schooler, P.O. Box 963, Willcox, Arizona, 384-2906, is actually in charge of the drilling. Mr. Robert Ross of San Antonio, Texas, address above, (512) 734-4495, is also involved in the wells.

According to Mr. Tenney, four wells have been drilled in this area. The first well was abandoned at approximately 630' with collapsed pipes. The second was abandoned at approximately 1100' ~~ft~~ with collapsed pipe. The currently drilling well has to 1230' at this time. In addition to these wells, one water well has been drilled to a depth of 80' for the purpose of furnishing drilling water for the rig.

6-5-70
Memo - File (Ross & Tenney), Contd.
Page 2

Mr. Tenney advised that Mr. Ross had contacted the State Land Department and had been advised by them that these wells could be drilled as water wells and in order that their actions remain confidential no action with this Commission need be taken until such time as they became proven oil productivity. I, of course, took time to set this impression straight and advised Mr. Tenney that under no circumstances should any work be commenced or done until such time as this situation is corrected. I advised him that as oil wells all test holes are completely illegal and that as water wells they are also illegal as he failed to comply with water regulations.

To the best of my knowledge, these wells are located in the SW/4 of Section 36, T9S, R27E.

I have been advised that Mr. Schooler and Mr. Ross have contacted this office on June 4, 1970 in an attempt to get squared away with our laws.

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 Owner and Operator
6. If the answer to question four is "no," list all the owners and their respective interests below:

Owner	Land Description
See attached plot	<p>CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p>Name _____</p> <p>Position _____</p> <p>Company _____</p> <p>Date _____</p> <p>I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed _____</p> <p>Registered Professional Engineer and/or Land Surveyor _____</p> <p>Certificate No. _____</p>

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement
18"	72	D Welded			none	none
12"	50	Lap Weld			none	none
10 3/4"	40	Lap Weld			none	none
8 5/8"	32	Seamless			none	none
7"	22	Seamless			Top of sand	200



PERMIT TO DRILL

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

To: IVAN D. TENNEY
(OPERATOR)

to drill a well to be known as

TENNEY #3 STATE 12053
(WELL NAME)

located 1960' FSL - 890' FSL

Section 36 Township 9S Range 27E, GRAHAM County, Arizona.

The E/2 SW/4 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 5th day of AUGUST, 19 70.

OIL AND GAS CONSERVATION COMMISSION

By John Bonmister
EXECUTIVE SECRETARY

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

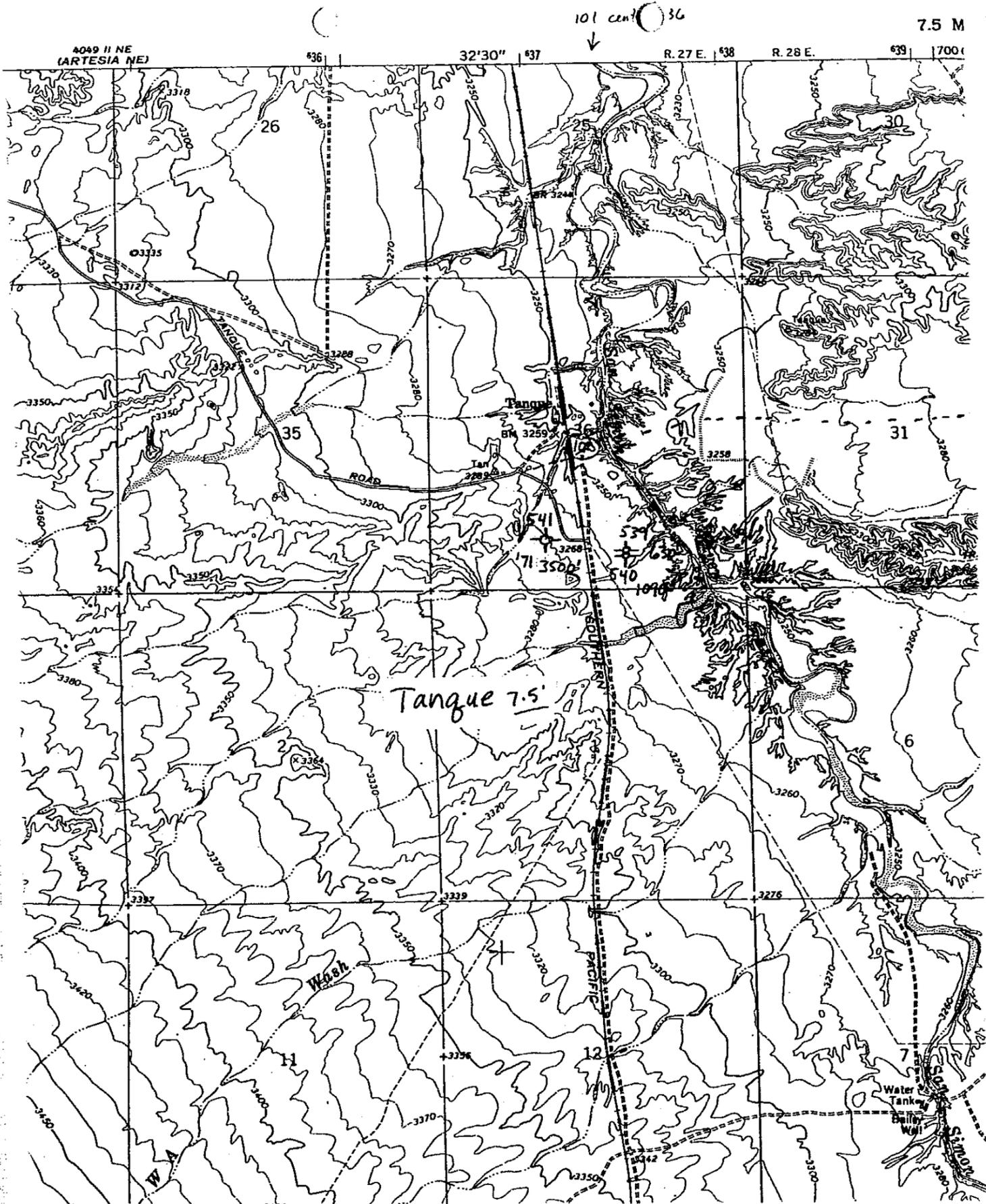
PERMIT N^o 541

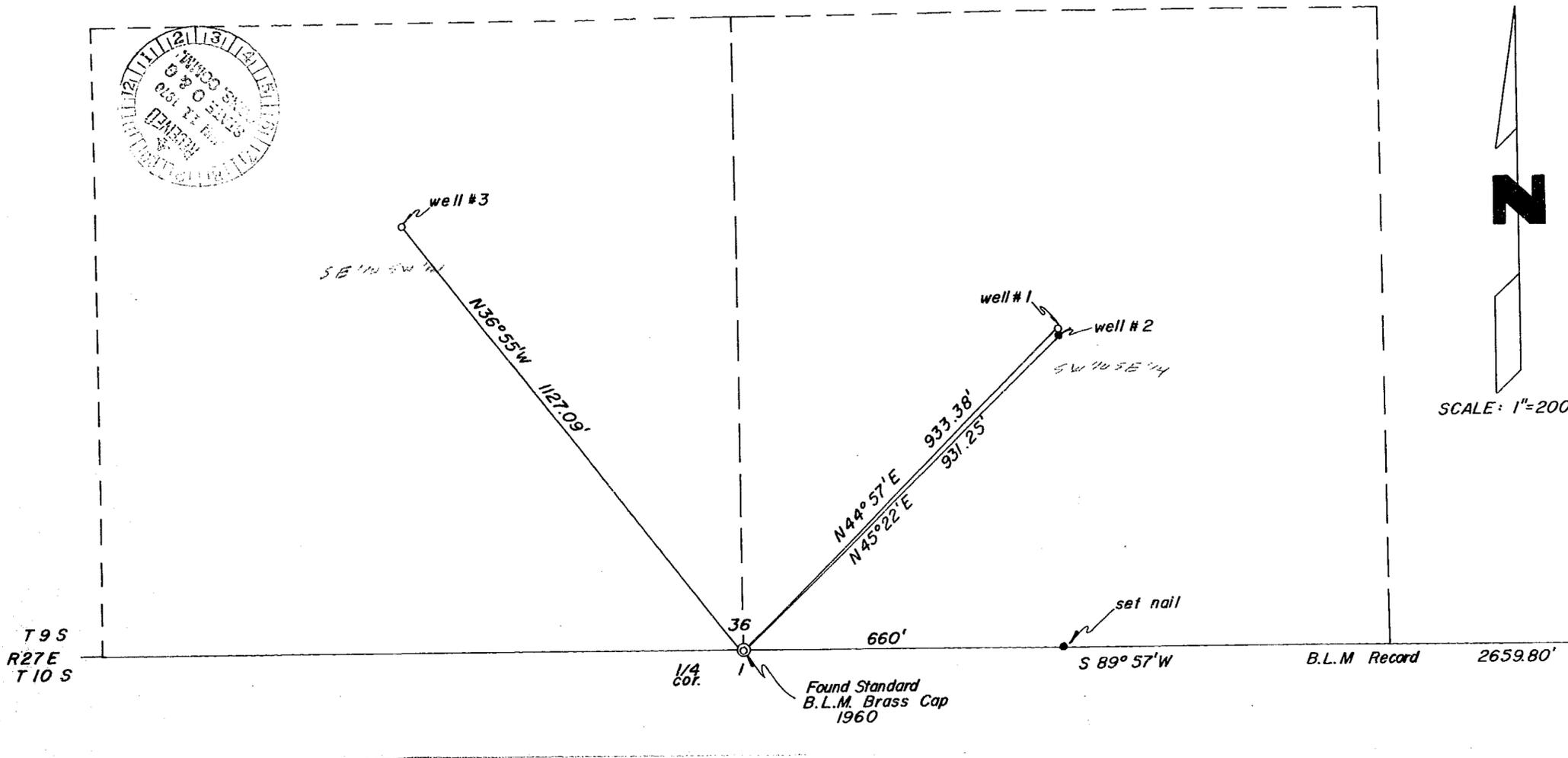
RECEIPT NO. 2875
API NO. 02-009-20001

State of Arizona
Oil & Gas Conservation Commission
Permit to Drill

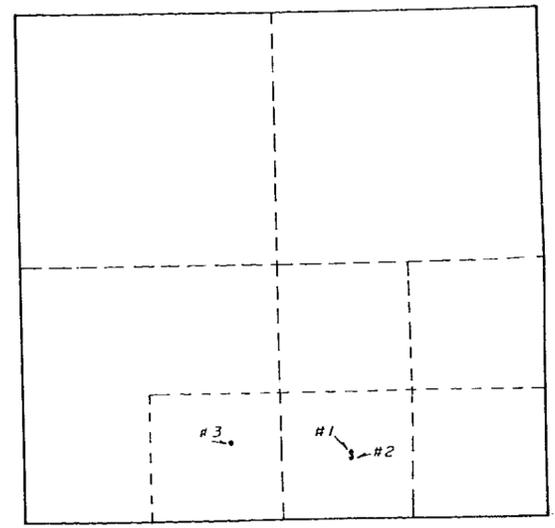
FORM NO. 27

SAMPLES ARE REQUIRED

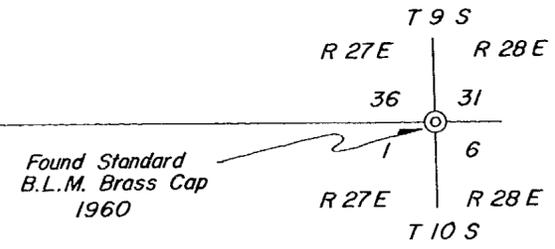




SCALE: 1"=200'

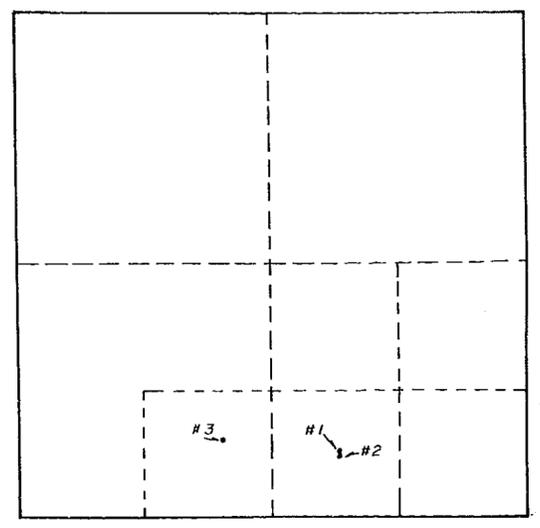
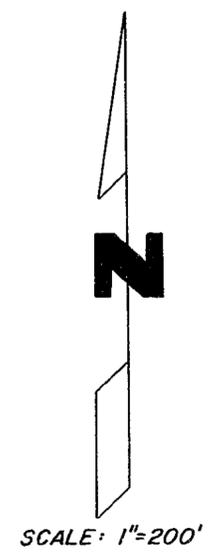
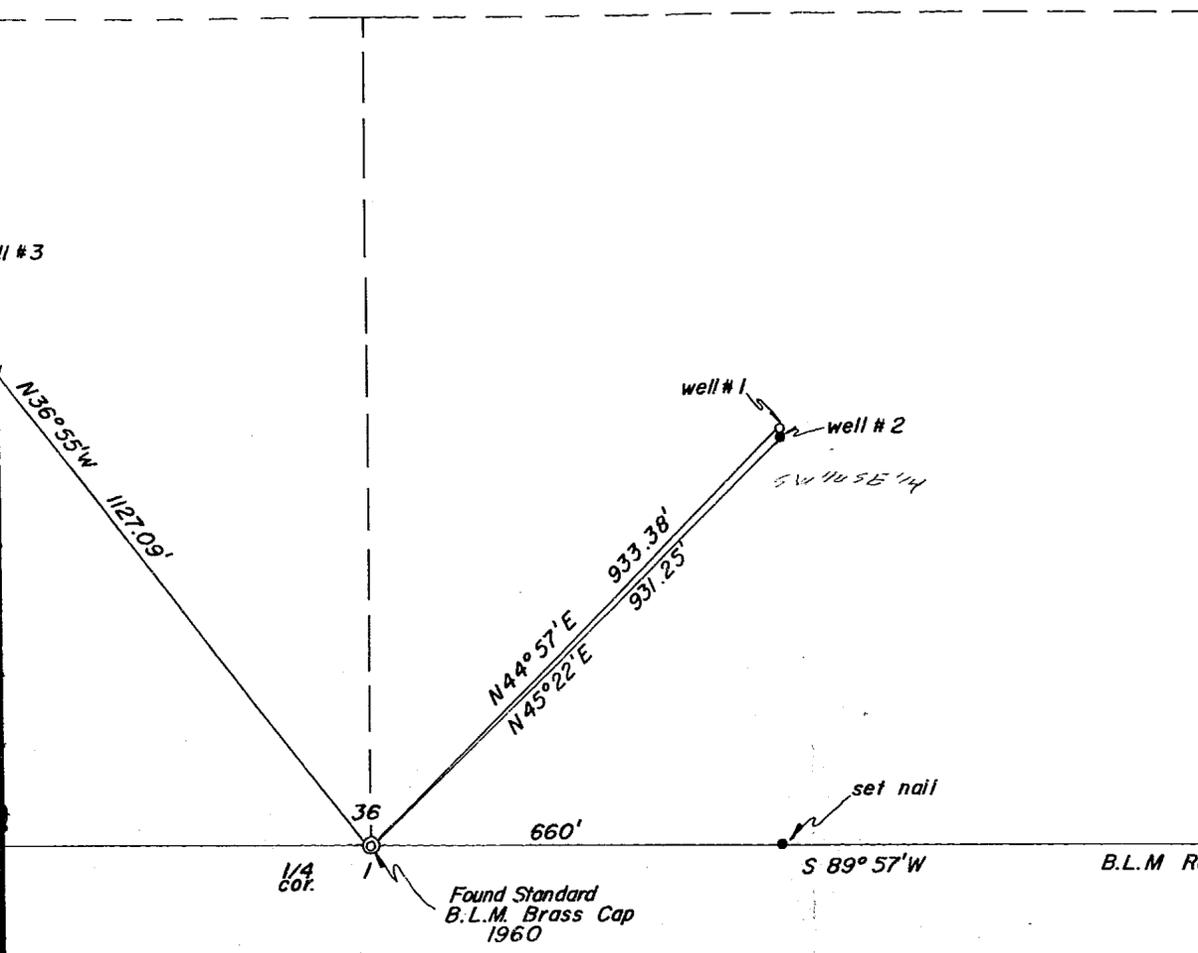


VICINITY MAP
 SCALE: 4"=1 MILE
 SECTION 36
 T 9 S R 27 E

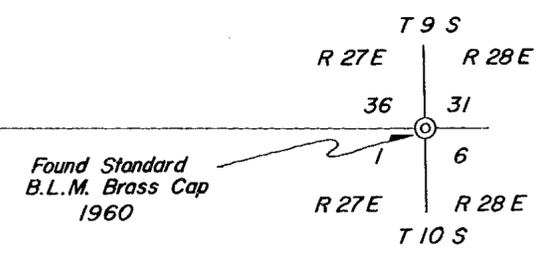


PLAT OF SURVEY OF EXPLORATORY WELLS LOCATED
 IN THE SW 1/4 SE 1/4 AND SE 1/4 SW 1/4, SECTION 36,
 TOWNSHIP 9 SOUTH, RANGE 27 EAST, G&S.R.B.&M.,
 GRAHAM COUNTY, ARIZONA.

SURVEYED AT THE REQUEST OF IVAN TENNEY, MARSHALL, MICHIGAN.



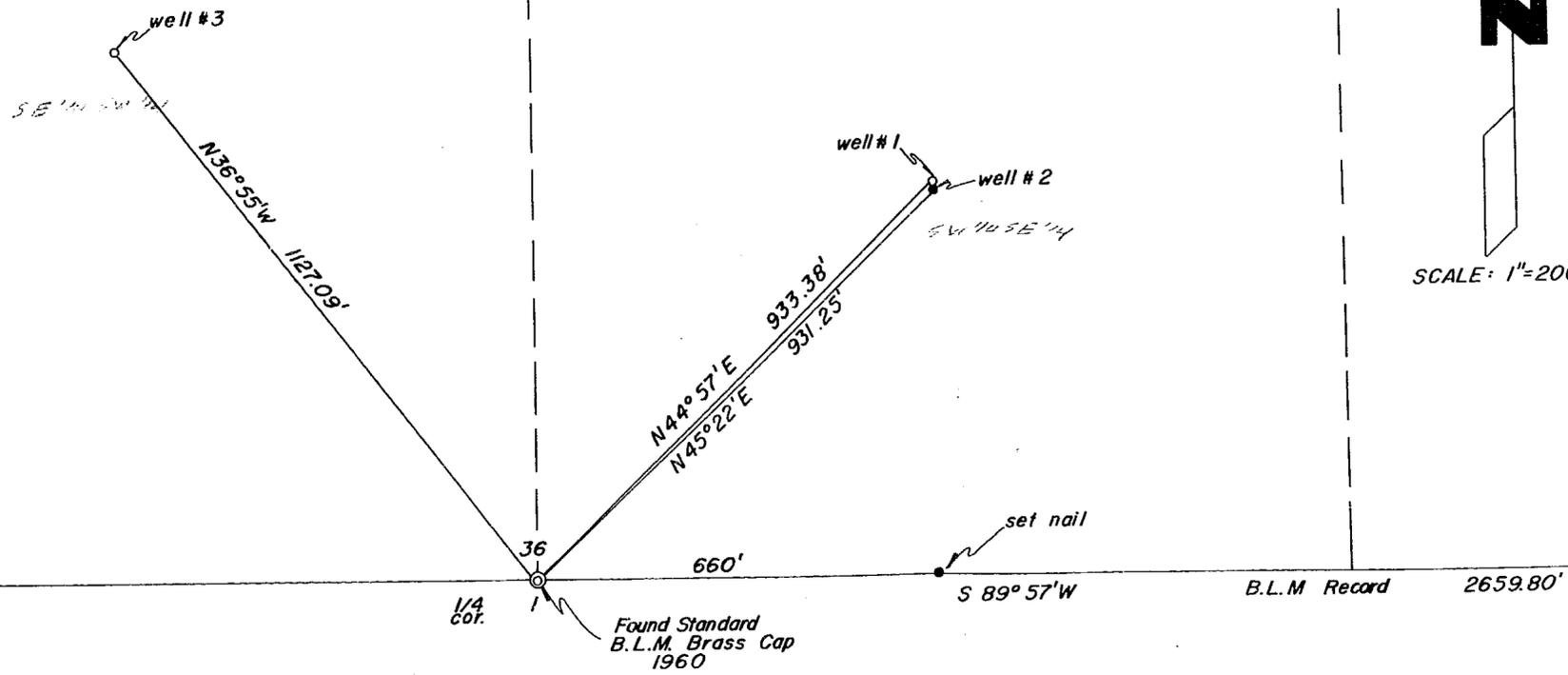
VICINITY MAP
SCALE: 4"=1 MILE
SECTION 36
T9S R27E



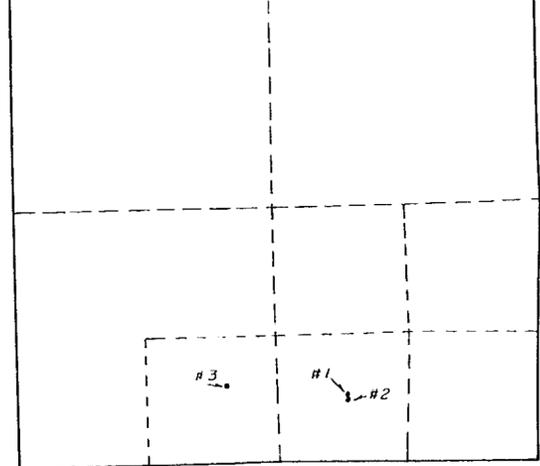
PLAT OF SURVEY OF EXPLORATORY WELLS LOCATED
IN THE SW 1/4 SE 1/4 AND SE 1/4 SW 1/4, SECTION 36,
TOWNSHIP 9 SOUTH, RANGE 27 EAST, G&S.R.B.&M.,
GRAHAM COUNTY, ARIZONA.

SURVEYED AT THE REQUEST OF IVAN TENNEY, MARSHALL, MICHIGAN.

PLAT
36-9S-27E GRAH



SCALE: 1"=200'



VICINITY MAP
SCALE: 4"=1 MILE
SECTION 36
T 9 S R 27 E

T 9 S
R 27 E
T 10 S

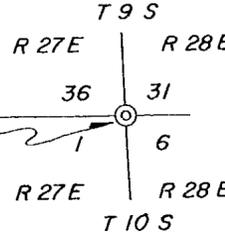
1/4
Cor.

Found Standard
B.L.M. Brass Cap
1960

set nail
S 89° 57' W

B.L.M. Record 2659.80'

Found Standard
B.L.M. Brass Cap
1960



PLAT OF SURVEY OF EXPLORATORY WELLS LOCATED
IN THE SW 1/4 SE 1/4 AND SE 1/4 SW 1/4, SECTION 36,
TOWNSHIP 9 SOUTH, RANGE 27 EAST, G&S.R.B.&M.,
GRAHAM COUNTY, ARIZONA.

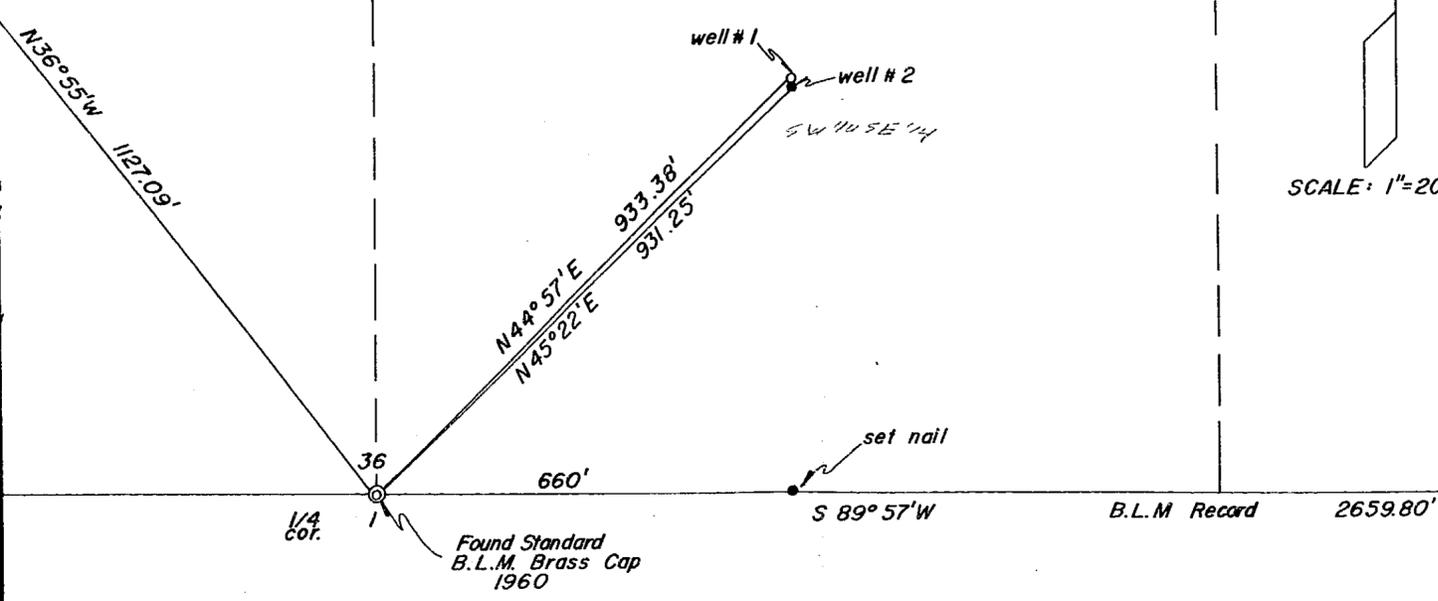
SURVEYED AT THE REQUEST OF IVAN TENNEY, MARSHALL, MICHIGAN.



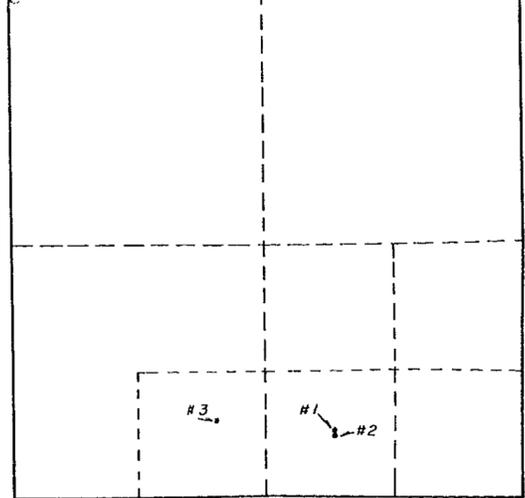
Plat and Survey under my
direction during June, 1970.

ANDERSON-HERMON, INC.
Consulting Engineers and Land Surveyors
622 5th Ave., phone 428-3590
Safford, Arizona
Job No. 5690318

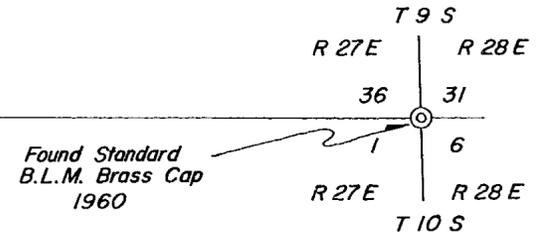
1/3



SCALE: 1"=200'



VICINITY MAP
 SCALE: 4"=1 MILE
 SECTION 36
 T9S R27E



PLAT OF SURVEY OF EXPLORATORY WELLS LOCATED
 IN THE SW 1/4 SE 1/4 AND SE 1/4 SW 1/4, SECTION 36,
 TOWNSHIP 9 SOUTH, RANGE 27 EAST, G&S.R.B.&M.,
 GRAHAM COUNTY, ARIZONA.

SURVEYED AT THE REQUEST OF IVAN TENNEY, MARSHALL, MICHIGAN.

ANDERSON-HERMON, INC.
 Consulting Engineers and Land Surveyors
 622 5th Ave., phone 428-3590
 Safford, Arizona
 Job No. 5690318

36-9S-27E GRAH

255-

John Willbanks
U.S. Bureau of Land Management
425 E. 4th Street
Safford, Arizona 85546

Dear John:

Please find enclosed the information you requested on the
No. 3 Tenney State. Hope you find this useful.

If we can be of further assistance, do not hesitate to
call.

Yours truly,

Don Whittaker
Director
Enforcement Section

DW:os
Enc.

December 12, 1972

Mr. R. W. Daily
P. O. Box 294
Mansfield, Louisiana 71052

Dear Mr. Daily:

In reply to your recent inquiries, we submit the following. Mr. James R. Pickett's address is 100 West Clarendon, Phoenix, Arizona 85013 and his phone number is (602) 277-4223.

The information that we have on the two wells is very sketchy. Attached is a copy of the Driller's Log on Underwriters Syndicate well and also a copy of a Stratigraphic Log. We are attaching a Completion Report and Driller's Log on the Tenney #3 State. Mr. Tenney's address is Ivan D. Tenney, 600 Hill Road, Marshall, Michigan 49068 and his phone number is (616) 781-8953.

We hope that this information will be of some benefit to you.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/rlb

Encs.

541

MINERALS

LEASING

SURVEYS

E. W. DAILY

TEL. 318-872-0345

MANSFIELD, LA. 71052

P. O. BOX 294

Dec. 6, 1972

Mr. W. E. Allen Director
Arizona Oil and Gas Con. Com.
4515 N 7th. Ave
Phoenix, Arizona 85013

Dear Mr. Allen

I wonder if you would be so kind as to check with the Land Dept 1624 W. Adams and furnish me the address of Mr. James R. Pickett He has leased Sec's 31 and 32 T 41N 1W Coconino Co.

When we were in Phoenix these sections were open when we sent in our leases these two state sections were refused because they had been leased so I called to find out who, and the name was given me, Our concern is that these two state sections were the center of our lease block and without them our chances of drilling a well are slim - I hope we can make some kind of a deal with him.

We do have other areas in Arizona that we have plans to develop but had hoped to start in that area so I would appreciate any light that you could shed on the above.

Thanking You Most Kindly I am Yours very truly,

E. W. Daily
E. W. Daily

cc- OBG and SA

RECEIVED

DEC 11 1972

O & G CONS. COMM.

541

MINERALS

LEASING

SURVEYS

TEL. 318-872-0345

E. W. DAILY
MANSFIELD, LA. 71052

P. O. BOX 294

Dec. 2, 1972

Arizona Oil and Gas Commission
4515 North 7 th St.
Pheonix ,Arizona
Gentlemen;

I was in with my group several days ago and We have made application for some 15,000 acres in Coninco T,40 and T41 N Range 1 and 2 W.

We are also interested in another area that I believe you could help a lot in giving me information on the following Wells .

No.1 Graham County Underwriters Spnd. 6S 24E 13 N W.NE TD 3767 1928

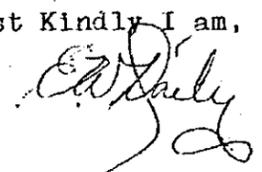
No.2 Graham County Tenny 3State 9S 27E 36 3500 Ft TD Drilled 1970 Permit No 541

I would also appreciate the Address of No.2 They may be able to give me information that you may not have.

We are interested in several areas in Arizona, and ceartainly feel that we do have an advantage in Locating Oil and Gas.

Thanking you Most Kindly I am, Yours very truly,

E.W.Daily



RECEIVED

DEC 11 1972

O & G CONS. COMM.

541

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS

Bond Serial No. 60-0130-1528-70

That we: IVAN D. TENNEY
of the County of Graham in the State of Arizona
as principal, and UNITED STATES FIDELITY & GUARANTY COMPANY
of 3605 North 7th Avenue Phoenix, Arizona
AUTHORIZED TO DO BUSINESS WITHIN the State of Arizona.

as surety, are held and firmly bound unto the State of Arizona and the Oil and Gas Conservation Commission, hereinafter referred to as the "Commission", in the penal sum of FIVE THOUSAND AND NO/100---\$5,000.00---

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 are 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:

#3 Test Well Section 36, T9S, R27E Graham County
(May be used as blanket bond or for single well)

NOW, THEREFORE, if the above bounden principal shall comply with all the provisions of the Laws of this State and the rules, regulations and orders of the 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 and Gas Conservation Commission all notices and records required by said Commission, then 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, this obligation is void; otherwise it shall remain in full force and effect.

Whenever the principal shall be, and declared by the Oil and Gas Conservation Commission in violation of the Laws of this State and the rules, regulations and orders of the Commission, the surety shall promptly:

- 1. Remedy the violation by its own efforts, or
2. Obtain a bid or bids for submission to the Commission to remedy the violation, and upon determination by the Commission and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Commission, and make available as work progresses sufficient funds to pay the cost of remedying the violation; but not exceeding, including other costs and damages for which the surety may be liable hereunder, the amount set forth in the first paragraph hereof.

Liability under this bond may not be terminated without written permission of this Commission.

WITNESS our hands and seals, this 20th day of July, 1970

Signature of Leonard N. Schoeler, Principal Ivan D. Tenney

WITNESS our hands and seals this 20th day of July, 1970

UNITED STATES FIDELITY & GUARANTY COMPANY

CANCELLED

Signature of William E. Shimer, Surety Attorney-in-Fact

DATE 7-24-72

Surety, Resident Arizona Agent
If issued in a state other than Arizona)

(If the principal is a corporation, the bond should be executed by the 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 August 5, 1970
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
By: John V. Bannister

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Bond
File Two Copies
Form No. 2

Permit No. 541

CERTIFIED COPY

GENERAL POWER OF ATTORNEY

No. 77085

Know all Men by these Presents:

That UNITED STATES FIDELITY AND GUARANTY COMPANY, a corporation organized and existing under the laws of the State of Maryland, and having its principal office at the City of Baltimore, in the State of Maryland, does hereby constitute and appoint William E. Shimer

of the City of Phoenix, State of Arizona, its true and lawful attorney

for the following purposes, to wit:

To sign its name as surety to, and to execute, seal and acknowledge any and all bonds, and to respectively do and perform any and all acts and things set forth in the resolution of the Board of Directors of the said UNITED STATES FIDELITY AND GUARANTY COMPANY, a certified copy of which is hereto annexed and made a part of this Power of Attorney; and the said UNITED STATES FIDELITY AND GUARANTY COMPANY, through us, its Board of Directors, hereby ratifies and confirms all and whatsoever the said William E. Shimer

may lawfully do in the premises by virtue of these presents.

In Witness Whereof, the said UNITED STATES FIDELITY AND GUARANTY COMPANY has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its Vice-President and Assistant Secretary, this 24th day of August, A. D. 19 65

UNITED STATES FIDELITY AND GUARANTY COMPANY. C. S. Adams, Jr.

(Signed) By Vice-President.

(SEAL)

(Signed) A. W. Griffith Assistant Secretary.

STATE OF MARYLAND, BALTIMORE CITY, ss:

On this 24th day of August, A. D. 1965, before me personally came C. S. Adams, Jr., Vice-President of the UNITED STATES FIDELITY AND GUARANTY COMPANY and A. W. Griffith, Assistant Secretary of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said that they resided in the City of Baltimore, Maryland; that they, the said C. S. Adams, Jr. and A. W. Griffith were respectively the Vice-President and the Assistant Secretary of the said UNITED STATES FIDELITY AND GUARANTY COMPANY, the corporation described in and which executed the foregoing Power of Attorney; that they each knew the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so fixed by order of the Board of Directors of said corporation, and that they signed their names thereto by like order as Vice-President and Assistant Secretary, respectively, of the Company. My commission expires the first day in July, A. D. 19. 67....

(SEAL)

(Signed) Anne M. O'Brien Notary Public.

STATE OF MARYLAND BALTIMORE CITY,)

I, James F. Carney, Clerk of the Superior Court of Baltimore City, which Court is a Court of Record, and has a seal, do hereby certify that Anne M. O'Brien, Esquire, before whom the annexed affidavits were made, and who has thereto subscribed his name, was at the time of so doing a Notary Public of the State of Maryland, in and for the City of Baltimore, duly commissioned and sworn and authorized by law to administer oaths and take acknowledgments, or proof of deeds to be recorded therein. I further certify that I am acquainted with the handwriting of the said Notary, and verily believe the signature to be his genuine signature.

In Testimony Whereof, I hereto set my hand and affix the seal of the Superior Court of Baltimore City, the same being a Court of Record, this 24th day of August, A. D. 19 65

(SEAL)

(Signed) James F. Carney Clerk of the Superior Court of Baltimore City.

COPY OF RESOLUTION

That Whereas, it is necessary for the effectual transaction of business that this Company appoint agents and attorneys with power and authority to act for it and in its name in States other than Maryland, and in the Territories of the United States and in the Provinces of the Dominion of Canada and in the Colony of Newfoundland.

Therefore, be it Resolved, that this Company do, and it hereby does, authorize and empower its President or either of its Vice-Presidents in conjunction with its Secretary or one of its Assistant Secretaries, under its corporate seal, to appoint any person or persons as attorney or attorneys-in-fact, or agent or agents of said Company, in its name and as its act, to execute and deliver any and all contracts guaranteeing the fidelity of persons holding positions of public or private trust, guaranteeing the performances of contracts other than insurance policies and executing or guaranteeing bonds and undertakings, required or permitted in all actions or proceedings, or by law allowed, and

Also, in its name and as its attorney or attorneys-in-fact, or agent or agents to execute and guarantee the conditions of any and all bonds, recognizances, obligations, stipulations, undertakings or anything in the nature of either of the same, which are or may by law, municipal or otherwise, or by any Statute of the United States or of any State or Territory of the United States or of the Provinces of the Dominion of Canada or of the Colony of Newfoundland, or by the rules, regulations, orders, customs, practice or discretion of any board, body, organization, office or officer, local, municipal or otherwise, be allowed, required or permitted to be executed, made, taken, given, tendered, accepted, filed or recorded for the security or protection of, by or for any person or persons, corporation, body, office, interest, municipality or other association or organization whatsoever, in any and all capacities whatsoever, conditioned for the doing or not doing of anything or any conditions which may be provided for in any such bond, recognizance, obligation, stipulation, or undertaking, or anything in the nature of either of the same.

I, **Mark F. Boyer**, an Assistant Secretary of the UNITED STATES FIDELITY AND GUARANTY COMPANY, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney given by said Company to **William E. Shimer**

of **Phoenix, Arizona**, authorizing and empowering **him** to sign bonds as therein set forth, which power of attorney has never been revoked and is still in full force and effect.

And I do further certify that said Power of Attorney was given in pursuance of a resolution adopted at a regular meeting of the Board of Directors of said Company, duly called and held at the office of the Company in the City of Baltimore, on the 11th day of July, 1910, at which meeting a quorum of the Board of Directors was present, and that the foregoing is a true and correct copy of said resolution, and the whole thereof as recorded in the minutes of said meeting.

In Testimony Whereof, I have hereunto set my hand and the seal of the UNITED STATES FIDELITY AND GUARANTY COMPANY on **July 20, 1970**
(Date)

Mark F. Boyer

Assistant Secretary.

July 24, 1972

United States Fidelity & Guaranty Company
3605 North 7th Avenue
Phoenix, Arizona 85013

Re: Ivan D. Tenney Bond No. 60-0130-1528-70

Gentlemen:

Mr. Ivan D. Tenney has requested that the Oil and Gas Conservation Commission of the State of Arizona, release Bond No. 60-0130-1528-70.

Mr. Ivan D. Tenney has complied with all rules and regulations of the Oil and Gas Conservation Commission, therefore, the Commission does hereby authorize release of subject bond.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/r1b

1cc - Mr. Ivan D. Tenney

IVAN D. TENNEY
OIL - GAS

600 HILL ROAD, MARSHALL, MICHIGAN 49068
TELEPHONE AREA 616 781-8953

June 16, 1972.

W.E. Allen, Director Enforcement Section,
Oil & Gas Conservation Commission,
State of Arizona,
Phoenix, Arizona 85013.

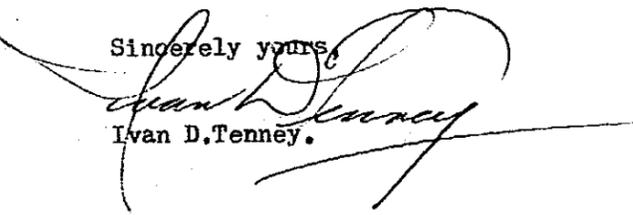
Dear Mr. Allen:

Re: Tenney #3 State 12053
SE/SW Section 36-T9S-R27E,
Graham County - Permit #541.

By long distance telephone this evening Mr. Leonard Schooler informed me that the above location now has been cleaned up as you specified in your letter to me February 2nd, 1972, a copy which I enclosed to Mr. Schooler some time ago asking that he further clean this up at his convenience.

I will appreciate your checking this out to verify his assertion that he has complied with your request and if so authorize the release of the bond thereon.

Sincerely yours,


Ivan D. Tenney.

541

RECEIVED

JUN 22 1972

O & B-CONS. COMM.

May 8, 1972

Mr. C. N. Needham
Mobil Oil Corporation
P. O. Box 633
Midland, Texas 79701

Re: Tenney #3 State 12053
SE/SW Section 36-T9S-R27E
Graham County
Our File #541

Dear Mr. Needham:

Our information on the above referenced well is rather sketchy. No logs were run on the well. Attached is all the information that we have. I understand that our Geological Section is to lend you samples from this well.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/r1b

Encs.

Mobil Oil Corporation

P.O. BOX 633
MIDLAND, TEXAS 79701

May 1, 1972

Arizona Oil & Gas
Conservation Commission
4515 North Seventh Avenue
Phoenix, Arizona 85013

Gentlemen:

I would appreciate being sent a copy of any records you
may have on file on the Tenney #3 State well in Section
36, T-9-S, R-29-E, Graham County, Arizona.

Very truly yours,

C. N. Needham
C. N. Needham

CNN:lc

RECEIVED

MAY 03 1972

O & G CONS. COMM.

541

February 2, 1972

Mr. Ivan D. Tenney
600 Hill Road
Marshall, Michigan 49068

Re: Tenney #3 State 12053
SE/SW Section 36-T9S-R27E
Graham County
Permit #541

Dear Mr. Tenney:

A short while ago Mr. Leonard Schooler called regarding the above referenced location. Mr. Schooler informed this office that this location was cleaned and requested that the Bond be released.

The writer visited this location on February 1, 1972 and found the following:

1. Location not leveled
2. Trash and debris scattered on location
3. Sections of wire lines on location
4. Old truck tires had been burned immediately adjacent to the dry-hole marker leaving the steel wiring that was in the tires scattered about creating a definite hazard to live stock, animals and any human beings that might venture by.

Attached is a photograph taken of this well location on the 1st and 2nd of February, 1972. Due to the heavy overcast skies the photograph is not sharp as to detail, but I believe it will help to bear out the above assertion.

As quickly as you have arranged for the location to be properly prepared according to the Rules and Regulations, we will be more than happy to authorize release of your Bond covering the subject well.

Very truly yours,

W. E. Allen, Director
Enforcement Section
WEA/r1b

November 15, 1971

IVAN D. TENNEY - OIL-GAS
600 Hill Road
Marshall, Michigan 49068

Re: Tenney #3 State 12053
SE/SW Section 36-T9S-R27E
Graham County
Permit #541

Dear Mr. Tenney:

After receiving your letter of November 1, 1971, I made a trip to the above referenced well location. On inspection this location wasn't cleaned or leveled to meet the requirements of the Commission or the State Land Department. There were old tires, pieces of cable, oil drums, bits of timber, exclusive of the two timbers you mentioned, and other debris on location. The terrain immediately surrounding the location was very rough and in unseemly condition.

When this location has been properly cleaned and leveled, we will be glad to release your Bond. The large pile of dirt a short distance east of the location does not have to be leveled.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/r1b

Enc.

RECEIVED

NOV 05 1971

D & G CONS. COMM.

IVAN D. TENNEY - OIL-GAS

600 HILL ROAD • MARSHALL, MICHIGAN 49068 • 616-781-8953

November 1, 1971.

Bill

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

Dear Mr. Bannister:

Have just received word from Leonard Schooler at Los Cruces, New Mexico (formerly at Willcox, Arizona) that the drilling machine on location, Tenney #3 State 12053 Permit #541 SE 1/4 SW 1/4 Section 36, T9S, R27E, Graham County, Arizona was moved off this lease last week.

He states that the location has been cleaned off with the exception of two sill timbers that he gave to a local rancher for his use and said rancher is to remove them immediately.

Will you kindly have this matter checked for compliance with regulations so as to release the drilling bond required.

Sincerely yours,

Ivan D. Tenney
Ivan D. Tenney.

541



IVAN D. TENNEY - OIL-GAS

600 HILL ROAD • MARSHALL, MICHIGAN 49068 • 616-781-8953

August 15, 1970.

James Scurlock -Geologist,
Oil & Gas Conservation Commission,
State of Arizona,
Room 202 - 1624 West Adams St.,
Phoenix, Arizona 85007.

Re: Tenney #1 State 12053
SW/4 SE/4 Sec.36-T9S-R27E
Graham County, Arizona

Tenney #2 State 12053
SW/4 SE/4 Sec.36-T9S-R27E
Graham County, Arizona.

Dear Mr.Scurlock:

Enclosed two well completion and plugging records for the above two wells as you requested of Mr.Schooler at Willcox, Arizona.

We are asking for an allowance of drilling information on the #3 well that we are now drilling to be classified as a "tite hole" for the usual period of time allowed.

Sincerely yours,

Ivan D. Tenney.

August 5, 1970

Mr. L. N. Schooler
Box 963
Wilcox, Arizona 85643

Re: Tenney #3 State 12053
SE/4 SW/4 Sec. 36-T93-R27E
Graham County
Our File #541

Dear Mr. Schooler:

We have received the bond for the subject well. Attached you will find the approved drilling permit and a copy of the bond.

Please supply this office with the correct ground elevation for all three of the wells as this figure was shown as "unknown" on your applications to Drill.

As soon as we receive the applications to Plug and the Completion Reports on your #1 and #2 wells, and these locations have been cleaned up, pits filled, and so forth; we will issue the drilling permits for these wells.

Please keep us posted on your progress and submit in a timely manner all the required forms and information.

We hope you hit a gusher.

Very truly yours,

W. E. Allen
Director of Enforcement Section

WEA:jd
Enc.

cc: Mr. Ivan D. Tenney

July 28, 1970

Mr. L. N. Schooler
Box 963
Wilcox, Arizona 85643

Re: Tenney #1 State 12053
SW/4 SE/4 Sec 36-T9S-R27E
Graham County, Arizona

Tenney #2 State 12053
SW/4 SE/4 Sec 36-T9S-R27E
Graham County, Arizona

Tenney #3 State 12053
SE/4 SW/4 Sec 36-T9S-R27E
Graham County, Arizona

Dear Mr. Schooler:

Jack Pearson, United States Fidelity and Guaranty, has informed me that they have agreed to issue a bond covering your Tenney #3 State. Will you please mail us the original bond as executed by U. S. Fidelity and Guaranty.

It would be appreciated if you would also keep us informed as to your operations on the three wells that you have drilled in Graham County. As quickly as possible submit the Completion Reports and Form 25, Sundry Notice and Reports, on the above wells.

Very truly yours,

W. E. Allen
Director, Enforcement Section

WEA:jd

IVAN D. TENNEY - OIL-GAS

600 HILL ROAD • MARSHALL, MICHIGAN 49068 • 616-781-8953

July 27, 1970.

John Bannister - Executive Secretary,
Oil & Gas Conservation Commission,
Phoenix, Arizona.

Dear Mr. Bannister:

Enclosed are two performance bond (original and copy) issued to me by the United States Fidelity & Guaranty Company for \$5,000 to cover the #3 Test Well in Section 36, T9S, R27E, Graham County, Arizona.

Will you kindly notify Mr. Leonard N. Schooler when you will release us for further drilling?

I want to thank you for your assistance in our endeavor to secure this bond to cover this test well.

Sincerely yours,

Ivan D. Tenney
Ivan D. Tenney



June 19, 1970

Mr. L. N. Schooler
Box 963
Wilcox, Arizona 85643

Re: Tenney #1 State 12053 Tenney #2 State 12053
 SW/4 SE/4 Sec. 36-T9S-R27E SW/4 SE/4 Sec. 36-T9S-R27E
 Graham County, Arizona Graham County, Arizona

Tenney #3 State 12053
SE/4 SW/4 Sec. 36-T9S-R27E
Graham County, Arizona

Dear Mr. Schooler:

Pursuant to our telephone conversation of May 19, 1970, the attached information shows the data which should be welded to the marker pipe. The pipe itself should be a minimum diameter of 4 inches.

On the #1 well, since it is already full of mud, it can be disposed of simply by cementing in the marker pipe. It is our understanding that you will plug the #2 well by dumping a few sacks of cement on top of the mud, filling the rest of the hole with mud, and finishing it off with several sacks of cement at the top with a marker pipe. And, of course, the location is to be graded, smoothed over, and cleaned up. Concerning the #3 well, we understand that you will catch a full set of samples for the Commission; and, that, of course, you will not resume drilling on this well until your bond has been presented.

We are sending you also some Plugging Forms and Completion Forms for the #1 and #2 wells. We have filled in the blanks on these forms with the information we have where ever possible. So, you need only check to make sure the information is correct and

Page 2
Mr. L. N. Schooler
June 28, 1970

supply the information in the blanks which have been marked with a check mark. Please be sure to fill in the back of the Completion Report. Please complete these forms and return them as soon as possible. We are also enclosing our Form #28, Sundry Notices and Reports on Wells, on which we need a complete well history on the #1 and #2 wells.

You indicated that you would send us copies of the drillers logs as well as any other logs that were run on these wells. We will appreciate receiving these logs as soon as possible.

Please let us know if we can be of any assistance to you in filling out these forms or in answering any questions regarding our regulations.

Sincerely,

James Scurlock
Geologist

JS:jd
Enc.

P. S. I am putting the tool on the bus today.

July 13, 1970

To Whom It May Concern:

Mr. Ivan D. Tenney of 600 Hill Road, Marshall, Michigan, and/or Mr. L. N. Schooler, Box 963, Wilcox, Arizona, is seeking a \$5,000 bond payable to the Oil and Gas Conservation Commission, State of Arizona, to cover their operations on the Tenney #3 State well located 1960' from the west line and 890' from the south line of Section 36, Township 9 south, Range 27 east, Graham County, Arizona.

This is to advise that after this well has been plugged and abandoned and the location cleaned and other rules and regulations of this Commission fully complied with, upon receipt of written request, this bond will immediately be released by this Commission. It is to be understood that this bond will, of course, remain in effect until released by this Commission; but, that release is pending only upon compliance with the necessary rules and regulations.

Should you have any questions, please do not hesitate to contact this Commission.

John Bannister

JB:jd

June 5, 1970

Mr. Ivan Tenney
600 Hill Road
Marshall, Michigan

Re: Wells Drilled in the S/2 36-T9S-R27E

Dear Mr. Tenney:

As you were advised by telephone on July 4, 1970, your drilling operations within the captioned area are contrary to both the oil and gas drilling laws and the ground water laws of the State of Arizona. In our discussion, you indicated that you had proceeded on what you felt was sound advice concerning Arizona laws. Be that as it may, you are again formally advised that no further operations may be conducted in this area until such time as you have brought yourself into complete compliance with the laws of the State of Arizona.

You advised this Commission that the well currently drilling is the third you tested within this captioned area. Further, you have advised that in addition to these three wells drilled you have drilled another well to the approximate depth of 80 feet for the purpose of securing water to support your drilling operations. This water well must be cleared through the State Land Department. It is suggested that you contact Mr. Fritz Ryan, Supervisor, Water, Mineral, Oil & Gas Production, State Land Department, 1624 West Adams, Phoenix, Arizona 85007; to correct this operations

As to the three wells under the jurisdiction of this Commission, we must have the following steps taken:

1. One copy of the Organization Report. This report, of course, indicates who is responsible for drilling these wells and, likewise, constitutes your appointing this Commission as attorney-in-fact to receive notice in the event of a suit against you.
2. Application for Permission to Drill for each of the three oil

6-5-70
Mr. Ivan Tenney
Page 2

well test locations. Each application must be filed in duplicate and each must be accompanied by a \$25.00 filing fee, a survey plat by a registered engineer of an exact location of each well, and a bond payable to the Commission in the amount of \$5,000.

As soon as these steps have been taken, This Commission will clear you for further operation. We recognize that delay may be expensive to you, consequently, if your bonding company will advise us, in writing, that the three above-mentioned bonds are being issued to this Commission, we will grant verbal permission for you to proceed with your operations, pending receipt of the other necessary instruments and the actual bonds.

It is the desire of this Commission to cooperate with your efforts of exploration as much as possible. I must stress, however, that any further violations of our authority of our rules and regulations will be severely dealt with.

At this time, I would like to express our appreciation for your cooperation with the Commission in this matter.

At his request, all necessary forms are being sent to Mr. Schooler for completion.

Yours truly,

John Bannister
Executive Secretary

JB/vb

cc - Mr. Robert Ross
Mr. Lawrence Schooler
Mr. Fritz Ryan