

P-W

EASTERN PETROLEUM 1 MERDE-INDIAN  
SW/SW Sec 30-T20N-R28E, Apache 592

COUNTY Apache AREA 7 mi SE Navajo LEASE NO. Indian Allotted Merde

WELL NAME EASTERN PETROLEUM COMPANY <sup>1 MERDE-</sup> INDIAN

LOCATION C-SW/SW SEC 30 TWP 20N RANGE 28E FOOTAGE 660' FWL 660' FSL

ELEV 5859 GR KB SPUD DATE 8-9-72 STATUS OKA 1-13-75 TOTAL DEPTH 1200'

5830 GL from USGS 7 1/2' quad per JNC COMP. DATE 8-17-72

CONTRACTOR \_\_\_\_\_

CASING SIZE	DEPTH	CEMENT	LINER SIZE & DEPTH	DRILLED BY ROTARY	DRILLED BY CABLE TOOL	PRODUCTIVE RESERVOIR	INITIAL PRODUCTION
7"	282	100 sks		<input checked="" type="checkbox"/>			
4 1/2"	1200	100 sks				Shinarump	186 MCFD

FORMATION TOPS	DEPTHS	SOURCE		REMARKS
		L.L.	E.L.	
Chinle Shale	230	x	x	Top of Coconino projected at 1209
Sonsela "A" Bed	300	x	287	
Upper Petr. Forr	315		314	
Monitor Butte	1005		1015	
Shinarump	1050		1063	
Moenkopi	1075		1079	

(NOTE: IE log shows perf. zone in Shinarump 1062-1068, 1975-78)

ELECTRIC LOGS	PERFORATED INTERVALS	PROD. INTERVALS	SAMPLE LOG
I.E. -3/ Density-3/	1062-1093		SAMPLE DESCRP. <input checked="" type="checkbox"/>
Cement Bond-3			SAMPLE NO. <u>1704</u>
			CORE ANALYSIS _____
			DSTs _____

REMARKS Reported hole in csg at 730. If repair attempted, we have no information. Cement bond log indicates bottom of cement @ 726'. APP. TO PLUG 8-30-74 PLUGGING REP. 4-15-75 COMP. REPORT

WATER WELL ACCEPTED BY C. G. Wallace, 4301 Central, NE, Albuq.

BOND CO. United States Fidelity & Guaranty BOND NO. 27716-13-3983-65

BOND AMT. \$ 25,000 CANCELLED \_\_\_\_\_ ORGANIZATION REPORT 8-15-69

FILING RECEIPT 2927 LOC. PLAT  WELL BOOK  PLAT BOOK

API NO. 02-001-20169 DATE ISSUED 8-11-72 DEDICATION 160 acres

PERMIT NUMBER 592



**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 <b>Eastern Petroleum Company</b>		Address <b>P. O. Box 291, Carmi, Illinois 62821</b>			
Lease Name <b>Merde Indian</b>		Well Number <b>1</b>	Field & Reservoir <b>East Navajo Springs</b>		
Location <b>660 ESL; 660FWL</b>		Sec.—TWP-Range or Block & Survey <b>30-20N-28E</b>			
County <b>Apache</b>	Permit number <b>592</b>	Date Issued <b>8-11-72</b>	Previous permit number	Date Issued	
Date spudded <b>8-9-72</b>	Date total depth reached <b>8-17-72</b>	Date completed, ready to produce	Elevation (DF, RKB, RT or Gr.) <b>5859 GR</b> feet	Elevation of casing hd. flange <b>5862</b> feet	
Total depth <b>1200'</b>	P.B.T.D.	Single, dual or triple completion? <b>Single</b>		If this is a dual or triple completion, furnish separate report for each completion.	
Producing interval (s) for this completion <b>-0-</b>		Rotary tools used (interval) <b>0-1200</b>		Cable tools used (interval)	
Was this well directionally drilled? <b>No</b>	Was directional survey made? <b>No</b>	Was copy of directional survey filed?		Date filed	
Type of electrical or other logs run (check logs filed with the commission) <b>Welex Induction, Compensated Density &amp; Cement Bond</b>				Date filed <b>Enclosed</b>	

CASING RECORD

Casing (report all strings set in well—conductor, surface, intermediate, producing, etc.)						
Purpose	Size hole drilled	Size casing set	Weight (lb./ft.)	Depth set	Sacks cement	Amt. pulled
Surface	8 3/4	7"		282	100	-0-
Oil String	6 1/4	4 1/2"		1200	100	-0-

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		Am't. & kind of material used		Depth Interval	

INITIAL PRODUCTION

Date of first production <b>10/72</b>		Producing method (Indicate if flowing, gas lift or pumping—if pumping, show size & type of pump): <b>Small show</b>				
Date of test <b>10/72</b>	Hrs. tested	Choke size	Oil prod. during test bbls.	Gas prod. during test <b>186 MCF</b>	Water prod. during test bbls.	Oil gravity ° API (Corr)
Tubing pressure	Casing pressure	Cal'ed rate of Production per 24 hrs.	Oil bbls.	Gas <b>186 MCF</b>	Water bbls.	Gas-oil ratio
Disposition of gas (state whether vented, used for fuel or sold): <b>Sold</b>						

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

Geological Report Enclosed

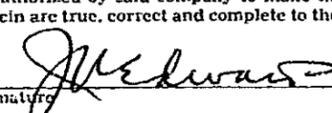
March 12, 1974  
Date

*J. Edwards*  
Signature

RECEIVED  
MAR 15 1974  
O & G CONS. COMM.

592

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

PLUGGING RECORD					
Operator <b>Eastern Petroleum Company</b>			Address <b>P. O. Box 291, Carmi, Illinois 62821</b>		
Federal, State, or Indian Lease Number, or lessor's name if fee lease. <b>Merde-Indian</b>		Well No. <b>1</b>	Field & Reservoir <b>East Navajo Springs</b>		
Location of Well <b>660 FSL; 660 FWL</b>		Sec-Twp-Rge or Block & Survey <b>30-20N-28E</b>		County <b>Apache</b>	
Application to drill this well was filed in name of <b>Eastern Petroleum Company</b>	Has this well ever produced oil or gas <b>Yes</b>	Character of well at completion (initial production): Oil (bbls/day) <b>-0-</b> Gas (MCF/day) <b>slight</b>		Dry? <b>Yes</b>	
Date plugged: <b>1-13-75</b>	Total depth <b>1200'</b>	Amount well producing when plugged: Oil (bbls/day) <b>-0-</b> Gas (MCF/day) <b>-0-</b>		Water (bbls/day) <b>-0-</b>	
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		
			10 sax in bottom		
			Mud to 390'		
			Cement to 340'		
			Top left open for water well		
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
7"	282'	0'	282'		
2 3/8"	1200'	1100'	100'	Ripped	1 - 4 1/2"
Was well filled with mud-laden fluid, according to regulations?			Indicate deepest formation containing fresh water.		
NAMES AND ADDRESSES OF ADJACENT LEASE OPERATORS OR OWNERS OF THE SURFACE					
Name	Address		Direction from this well:		
<b>Eastern Petroleum Co.</b>			<b>All</b>		
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. <b>C. G. Wallace, Albuquerque, has tentatively agreed to assume liability for water well</b>					
Use reverse side for additional detail.					
CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <b>Secretary</b> of the <b>Eastern Petroleum Company</b> (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 <b>April 15, 1975</b>		Signature 			
Permit No. <b>592</b>		O & G CONSV. COMM.		STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Plugging Record File One Copy	
RECEIVED APR 18 1975		Form No. 10			

APPLICATION TO ABANDON AND PLUG

FIELD East Navajo Springs-Shinarump  
OPERATOR Eastern Petroleum Co. ADDRESS Box 291, Carmi, Illinois 62821  
Federal, State, or Indian Lease Number or Lessor's Name if Fee Lease Merde-Indian WELL NO. 1  
SURVEY 20N-28E SECTION 30 COUNTY Apache  
LOCATION 660 FSL; 660 FWL

TYPE OF WELL Dry TOTAL DEPTH 1200'  
(Oil, Gas or Dry Hole)  
ALLOWABLE (If Assigned)  
LAST PRODUCTION TEST OIL \_\_\_\_\_ (Bbls.) WATER \_\_\_\_\_ (Bbls.)  
GAS \_\_\_\_\_ (MCF) DATE OF TEST \_\_\_\_\_  
PRODUCING HORIZON \_\_\_\_\_ PRODUCING FROM \_\_\_\_\_ TO \_\_\_\_\_

1. COMPLETE CASING RECORD

7" sfc. csg. @ 282'

4 1/2" csg. @ 1200'

2. FULL DETAILS OF PROPOSED PLAN OF WORK

Expect to recover 1060' 4 1/2" and no sfc. csg.

Cement plugs @ 1050-1000; 282-232; 20-0

Fill intervals with heavy mud & erect regulation dry hole marker

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 September

NAME OF PERSON DOING WORK Wayne Carr ADDRESS Wichita Falls, Texas

CORRESPONDENCE SHOULD BE SENT TO J. N. Edwards

Name

Secretary

Title

Box 291, Carmi, Illinois 62821

Address

August 30, 1974

Date

Date Approved 9-9-74  
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  
**RECEIVED**

Permit No. 592

SEP 03 1974

O & G CONS. COMM.

TO: Oil & Gas Conservation Commission  
8686 North Central Ave., Suite 106  
Phoenix, Arizona 85020

This is to advise you that I accept the abandoned wildcat well, known as the Indian Allotted Merde Indian #1 located on the SW SW  $\frac{1}{4}$ - $\frac{1}{4}$  of Section 30 Township 20N Range 28E, County of Apache, Arizona, as a water well to be used for domestic purposes.

Further, I accept full responsibility for the proper maintenance and use of the above well, including final plugging, in full compliance with the Rules and Regulations adopted by the Oil & Gas Conservation Commission.

I understand that I am responsible for compliance with the provisions of the State Water Code, Chapter 1-Title 45, Arizona Revised Statutes and with any applicable requirements of U. S. Geological Survey.

Signature C. G. Wallace

Street 4301 Central Ave

City & State Phoenix, Arizona

STATE OF New Mexico

COUNTY OF Bernalillo

On this, the 21st day of April, 1975, before me, Frances A. Keeler the undersigned officer, personally appeared C. G. Wallace, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

Notary Public Frances A. Keeler

My Commission Expires My Commission Expires Jan. 10, 1978

State of Arizona  
Oil & Gas Conservation Commission  
WATER WELL ACCEPTANCE  
Form 26 - File One Copy

Permit No. 592

PLEASE RETURN THIS COPY TO: EASTERN PETROLEUM CO.

Box 291

CARMI, ILL 62821

RECEIVED

APR 30 1975

O & G CONS. COMM.

TO: Oil & Gas Conservation Commission  
8686 North Central Ave., Suite 106  
Phoenix, Arizona 85020

This is to advise you that I accept the abandoned wildcat well, known as the Indian Allotted Merde Indian #1 located on the SW SW  $\frac{1}{4}$  of Section 30 Township 20N Range 28E, County of Apache, Arizona, as a water well to be used for domestic purposes.

Further, I accept full responsibility for the proper maintenance and use of the above well, including final plugging, in full compliance with the Rules and Regulations adopted by the Oil & Gas Conservation Commission.

I understand that I am responsible for compliance with the provisions of the State Water Code, Chapter 1-Title 45, Arizona Revised Statutes and with any applicable requirements of U. S. Geological Survey.

Signature C. G. Wallace  
Street 4301 Central Ave  
City & State Albuquerque NM

STATE OF New Mexico  
COUNTY OF Bernalillo

On this, the 21st day of April, 1975, before me, Francis A. Deeler the undersigned officer, personally appeared C. G. Wallace, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

Notary Public Francis A. Deeler  
My Commission Expires My Commission Expires Jan. 10, 1978

State of Arizona  
Oil & Gas Conservation Commission  
WATER WELL ACCEPTANCE  
Form 26 - File One Copy

Permit No. 592

PLEASE RETURN THIS COPY TO: EASTERN PETROLEUM CO.  
Box 291  
Carmel, Ill 62821

RECEIVED  
APR 30 1975  
O & G CONS. COMM.

**SUNDRY NOTICES AND REPORTS ON WELLS**

1. Name of Operator Eastern Petroleum Company  
 2. Oil WELL  GAS WELL  OTHER  (Specify) Dry Hole  
 3. Well Name Merde Indian #1  
 Location SW SW  
 Sec. 30 Twp. 20N Rgn. 28E County Apache Arizona.  
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease  
Indian Allotted  
 5. Field or Pool Name East Navajo Springs

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

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

(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.)

Well is scheduled to be plugged and abandoned in accordance with State regulations.

John Cunningham, Farmington, New Mexico, has been contracted to perform this work.

RECEIVED

MAR 13 1974

O & G CON. COMM.

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

Signed [Signature] Title Secretary Date March 12, 1974

STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Sundry Notices and Reports On Wells File Three Copies Form No. 25
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Permit No. 592

- 1 - State of Arizona ✓
- 1 - J. Cunningham
- 1 - File

ANCON SANTA FE No. 21  
SE/NW 31-20N-28E  
234

SANTA FE FEE No. 21-1A  
NW/NW 31-20N-28E  
537

MERDE No. 1  
SW/SW 30-20N-28E  
592

G A S  
M C F

1969

1970

1971

1972

1973

7500

5000

2500

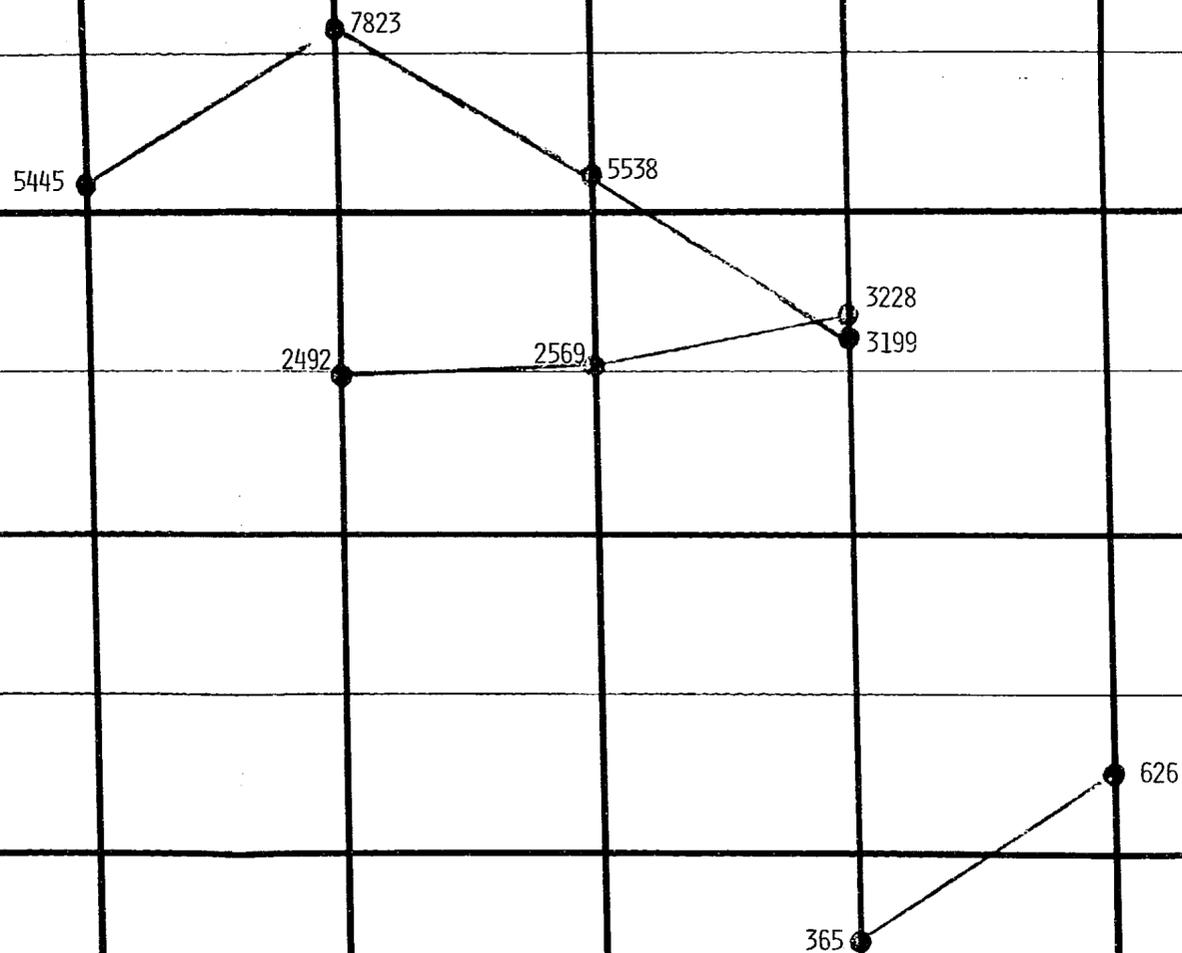
1000

750

500

250

100



CUMULATIVE PROD. - 22,005 MCF  
FIRST PROD. - APRIL 1969  
LAST PROD. - SEPT. 1972

CUMULATIVE PROD. - 8299 MCF  
FIRST PROD. - OCT. 1970  
LAST PROD. - OCT. 1972

CUMULATIVE PROD. - 991 MCF  
FIRST PROD. - SEPT. 1972  
LAST PROD. - APRIL 1973

TOTAL CUMULATIVE PROD ALL WELLS 31,295 MCF

1969

1970

1971

1972

1973

5445

7823

5538

2492

2569

3228

3199

626

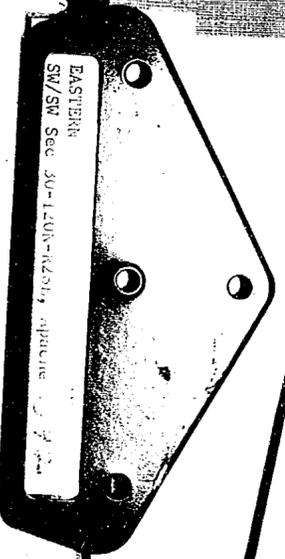
365

CUMULATIVE PROD. - 22,005 MCF  
FIRST PROD. - APRIL 1969  
LAST PROD. - SEPT. 1972

CUMULATIVE PROD. - 8299 MCF  
FIRST PROD. - OCT. 1970  
LAST PROD. - OCT. 1972

CUMULATIVE PROD. - 991 MCF  
FIRST PROD. - SEPT. 1972  
LAST PROD. - APRIL 1973

TOTAL CUMULATIVE PROD. ALL WELLS 31,005 MCF



NAVAJO SPRINGS AREA WELLS EASTERN PETROLEUM COMPANY - OPERATOR

PERMIT NUMBER	WELL NAME	LOCATION	TOTAL DEPTH	FORMATION	INTERVAL PERFORATED	COMPLETION DATE	INITIAL POTENTIAL MCFD	12-31-73 CUMULATIVE PROD. (NCF)	DATE OF LAST PROD.	PROD. CSG. DEPTH & SIZE	HOLE SIZE	NO. CEMENT SACKS USED	ESTIMATED TOP OF CEMENT	OPERATORS EST. OF CSG. RECOVERABLE	REMARKS
✓ 110	Crest Santa Fe #2	NE/SW 33-20N-27E	1140	Coconino	1062-72	6-24-60	12.75	Never Prod.		2 7/8" @ 1107	4 3/4"	50			
✓ 184	Eastern Santa Fe #13	NE/SW 31-20N-27E	980	Coconino	Open Hole	6-25-62	6290	1,400,623		4 1/2" @ 967	6 1/4"	50			Navajo Springs
✓ 204	Crest Santa Fe #7	SE/NE 6-19N-27E	1060	Coconino	1042-52	9-11-62	185	Never Prod.		2 7/8" @ 1060	4 3/4"	28			
✓ 206	Eastern Santa Fe #14	SE/NW 5-19N-27E	1100	Coconino	1026-56	10-16-62	300	47,594	Oct. 1973	4 1/2" @ 1100	6 3/4"	190			
✓ 234*	Ancón Santa Fe Fee #21	SE/NW 31-20N-28E	1361	Shinarump	1173-94+	9-13-63	3.0	22,005	Sept. 1972	2 7/8" @ 1330	4 3/4"	85	730	1300	East Navajo Sp Shinarump Pool
✓ 236	Santa Fe Fee #17	SW/NW 4-19N-27E	1057	Coconino	1037-57	6-17-63	250	56,945	Dec. 1973	4 1/2" @ 1057	6 1/4"	65			
✓ 238	Kerr-McGee Barfoot #1	NE/SW 32-20N-27E	1067	Coconino	996-1008	7-30-63	1160	225,555		4 1/2" @ 1076	6 3/4"	140			Navajo Springs
✓ 255	Santa Fe Fee #31	NW/SE 29-20N-27E	1049	Coconino	992-1006	10-25-63	590	Never Prod.		2 7/8" @ 1049	4 3/4"	90			(Remedial work between comp.)
✓ 256	Santa Fe Fee #32	NE/SW 28-20N-27E	1133	Coconino	1090-1100	11-24-63	95	Never Prod.		2 7/8" @ 1133	6 1/4"	75			(work not report)
✓ 257	Santa Fe Fee #33	NE/SW 27-20N-27E	1072	Coconino	Open Hole	5-11-64	1570	27,431	Oct. 1973	4 1/2" @ 1062	6 1/4"	65			
✓ 258	Reece #2 Fee	SW/NE 1-19N-26E	1067	Coconino	1012-16	3-02-66	250-260 Est.	Never Prod.		2 7/8" @ 1053	4 3/4"	100			
✓ 471	Crest Santa Fe #1	SE/SE 25-20N-27E	1225	Shinarump	1046-1110	11-20-65	51	34,451	Dec. 1973	4 1/2" @ 1171	6 1/4"	70			Originally from East Navajo Sp Shinarump Pool
✓ 536*	Santa Fe Fee #24	SE/NW 24-20N-27E	1340	Shinarump	1145-73	9-30-71	Negligible	Never Prod.		2 7/8" @ 1303	4 3/4"	220	Enough cement to circulate	1290	
537*	Santa Fe Fee #21-1A	NW/NW 31-20N-28E	1232	Coconino	Open Hole	9-15-70	470	5,299	Oct. 1972	4 1/2" @ 1215	6 1/4"	100	623	1075	
550*	Kiva Santa Fe Fee #1	NE/SW 13-20N-25E	1230	Shinarump	1050-56	12-06-71	No Gas Reported	Never Prod.		4 1/2" @ 1272	6 1/4"	100	642	1042	
565*	Santa Fe #6X-1	SE/NW 25-20N-25E	1261	Shinarump	1126-60	1-06-72	No Gas Reported	Never Prod.		4 1/2" @ 1267	6 1/4"	100	230	1122	
565*	Santa Fe Fee Sanders #2	NE/SW 15-21N-25E	516	Coconino	406-20	4-20-72	TSM	Never Prod.		4 1/2" @ 516	6 1/4"	75	110	140	
575*	Szar State #1	NW/NW 36-20N-27E	1215	Shinarump	1154-62	4-25-72	Well on Vacuum During Test	Never Prod.		4 1/2" @ 1215	6 1/4"	100	62	1075	East Navajo Sp Shinarump Pool
554*	Santa Fe Fee Dreck #1	SE/SW 25-20N-27E	1266	Shinarump		6-21-72	Not Tested	Never Prod.		7" @ 1262	5 3/4"	65	62	1075	East Navajo Sp Shinarump Pool
592*	Indian Allotted Merde #1	SE/SW 30-20N-25E	1200	Shinarump	1062-93	5-17-72	186	991	Oct. 1972	4 1/2" @ 1200	6 1/4"	100	62	1075	This well on reported plus
596*	Indian Allotted Merde #2	SW/SE 30-20N-25E	1342	Shinarump	1126-60					4 1/2" @ 1265	6 1/4"	100	Bottom 726**	1060	Hole in case This well flow between cas.
599*	Kiva Santa Fe Fee #2	NE/SW 24-20N-25E	1230	Coconino	1155-1215	11-12-72	TSM	Never Prod.		2 7/8" @ 1195***	4 3/4"	No Report		1125	
600*	Santa Fe Fee Beacon #1	NW/SE 29-20N-29E	1265	Coconino	No Perfs. Reported	2-25-72	No Test Reported	Never Prod.		4 1/2" @ 1215	6 1/4"	60	577	1072	
601*	Santa Fe Fee #1-11	NE/SE 11-20N-28E	1075	Coconino	Open Hole	11-10-72	TSM	Never Prod.		4 1/2" @ 1055	6 1/4"	65	515	1125	

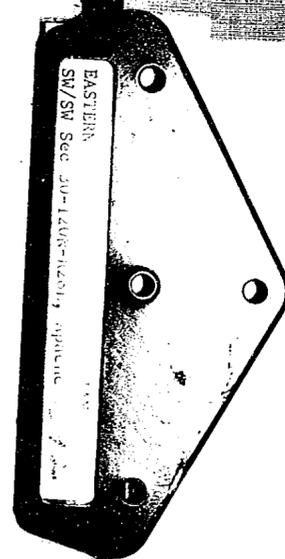
\* Applications to Plug have been approved.

Cement bond log indicates bottom of cement at 726'

From Application to Plug

NAVAJO SPRINGS AREA WELLS EASTERN PETROLEUM COMPANY - OPERATOR

TOTAL DEPTH	FORMATION	INTERVAL PERFORATED	COMPLETION DATE	INITIAL POTENTIAL MCFD	12-31-73 CUMULATIVE PROD. (MCF)	DATE OF LAST PROD.	PROD. CSG. DEPTH & SIZE	NO. CEMENT SACKS USED	HOLE SIZE	ESTIMATED TOP OF CEMENT	OPERATORS EST. OF CSG. RECOVERABLE	REMARKS	
1140													
N-27E	PBTD 1105	Coconino	1062-72	6-24-60	12.75	Never Prod.	2 7/8" @ 1107	4 3/4"	50				
N-27E	980	Coconino	Open Hole	6-25-62	6290	1,400,623	4 1/2" @ 967	6 1/4"	50			Navajo Springs Unit	
N-27E	1060	Coconino	1042-52	9-11-62	185	Never Prod.	2 7/8" @ 1060	4 3/4"	28				
N-27E	1100	Coconino	1026-56	10-16-62	300	47,594	Oct. 1973	4 1/2" @ 1100	6 3/4"	100			
N-28E	PBTD 1330	Shinarump	1173-94+	9-13-63	3.0	22,005	Sept. 1972	2 7/8" @ 1330	4 3/4"	85	730	1300	East Navajo Springs Shinarump Pool
N-27E	1057	Coconino	1037-57	6-17-63	250	56,943	Dec. 1973	4 1/2" @ 1057	6 1/4"	65			
N-27E	1087	Coconino	986-1008	7-30-63	1160	225,555		4 1/2" @ 1076	6 3/4"	140			Navajo Springs Unit
N-27E	1049	Coconino	992-1006	10-25-63	590	Never Prod.	2 7/8" @ 1049	4 3/4"	90				{ Remedial work on this well { between comp. date & test date
N-27E	1133	Coconino	1090-1100	11-24-63	9	Never Prod.	2 7/8" @ 1133	6 1/4"	75				{ work not reported.
N-27E	1072	Coconino	Open Hole	5-11-64	1570	27,471	Oct. 1973	4 1/2" @ 1062	6 1/4"	65			
N-26E	1067	Coconino	1012-16	3-08-66	250-300 Est.	Never Prod.	2 7/8" @ 1053	4 3/4"	100				
N-27E	PBTD 1140	Shinarump	1046-1110	11-20-65	51	34,421	Dec. 1973	4 1/2" @ 1171	6 1/4"	70			Originally completed in Coconino
N-27E	PBTD 1173	Shinarump	1145-73	9-30-71	Negligible	Never Prod.	2 7/8" @ 1303	4 3/4"	220	Enough cement to circulate	1290		East Navajo Springs Shinarump Pool
N-26E	1232	Coconino	Open Hole	9-15-70	470	4,299	Oct. 1972	4 1/2" @ 1215	6 1/4"	100	653	1075	
N-25E	PBTD 1150	Shinarump	1010-56	12-09-71	No Gas Reported	Never Prod.	4 1/2" @ 1173	6 1/4"	100	640	1025		
N-25E	PBTD 1174	Shinarump	1126-90	1-06-72	No Gas Reported	Never Prod.	4 1/2" @ 1265	6 1/4"	100	730	1122		
N-25E	516	Coconino	406-420	4-20-72	TSM	Never Prod.	4 1/2" @ 516	6 1/4"	75	116	410		
N-27E	1215	Shinarump	1154-62	4-25-72	Well On Vacuum During Test	Never Prod.	4 1/2" @ 1215	6 1/4"	100	65	1075		East Navajo Springs Shinarump Pool
N-27E	1266	Shinarump		6-21-72	Not Tested	Never Prod.	7" @ 255	5 3/4"	65	Circulated Surface	None		This well erroneously reported plugged.
N-25E	1200	Shinarump	1062-93	5-17-72	186	991	Oct. 1972	4 1/2" @ 1200	6 1/4"	100	Bottom 726**	1060	Hole in case @ 730'
N-25E	PBTD 1215	Shinarump	Completion Report Never Submitted		Never Prod.		2 7/8" @ 1197***	4 3/4"	No Report		1154		This well flowing water between CSG. & TB.
N-25E	1230	Coconino	1155-1215	11-12-72	TSM	Never Prod.	4 1/2" @ 1215	6 1/4"	60	877	1072		
N-29E	1265	Coconino	No Perfs. Reported	2-25-72	No Test Reported	Never Prod.	4 1/2" @ 1265	6 1/4"	55	815	1125		
N-28E	1075	Coconino	Open Hole	11-10-72	TSM	Never Prod.	4 1/2" @ 1055	6 1/4"	65	710	1005		

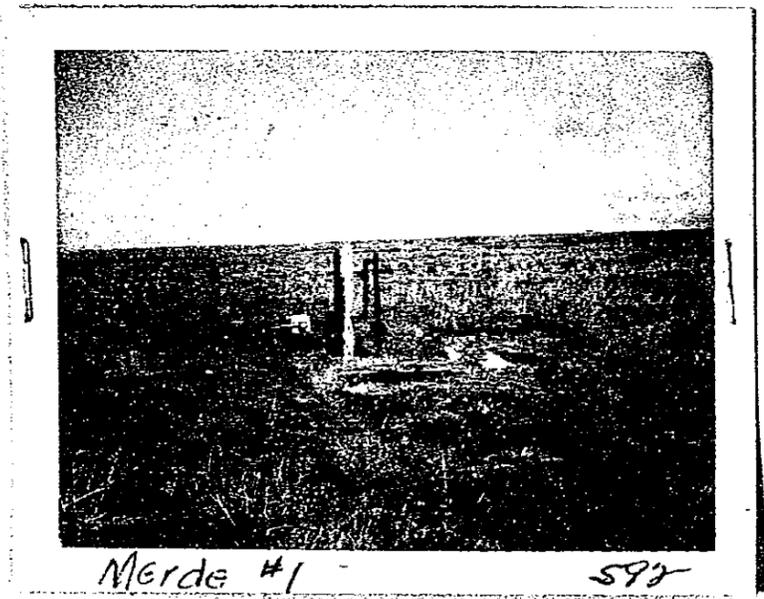


at 726'

Permit No. 592, Merde No. 1

3-27-74

Well shut-in. Two-inch line to  
Western Helium Plant disconnected.







**CORING DATA:** No cores were taken. The sample quality was fair to good from under surface pipe to total depth.

Samples were taken to Four Corners Sample Association in Farmington, New Mexico for storage and distribution.

**DRILL-STEM TEST DATA:**

No drill-stem tests were taken.

**COMMENTS:** The No. 1 Merde-Indian well was drilled to test the Shinarump conglomerate sand for helium-nitrogen gases.

The Shinarump sand by sample examination was a clear fine grained, fairly porous and clean sand. On the basis of sample cutting examination, electrical-induction and density log analysis, it was recommended that pipe be set and cemented to total depth.

The Shinarump sand zone has the following log characteristics:

Intervals 1063 - 1068; 1075 - 1078

Porosity average - 18% (21% - 16%)

Water Saturation - 70 % (60% - 85%)

Rw calc. - 0.40 ohms

This well is running 19' structurally high to the 21-A SF well (NW NW Sec. 31 T20N R28E).

*are these perforations?*

DURANGO, COLORADO

GEOLOGIST

ROBERT E. LAUTH



The Coconino sand should be helium-nitrogen gas  
productive at this location.

This well adequately tested all formations penetrated.

Respectfully submitted,

*Robert E. Lauth*

Robert E. Lauth

Certified Professional Geologist

AIPG No. 1366; AAPG No. 707

Durango, Colorado

September 1, 1972

DURANGO, COLORADO

GEOLOGIST

ROBERT E. LAUTH

RECORD OF SAMPLE DESCRIPTION

PAGE NO. 1

SEC. 30 TWP. 20N RGE. 28E LOCATION SWSW; 660 FSL, 660 FWL

FARM MERDE-INDIAN NO. 1 ELEVATION 5859 Grd.

OWNER Eastern Petroleum Co. STATE ARIZONA COUNTY APACHE

SAMPLES FROM 280 TO 540 EXAMINED BY R.E. LAUTH DATE Aug 15, 72

FROM	TO	DRLG. TIME Min per 5 ft.	LITHOLOGIC DESCRIPTION, FORMATION AND REMARKS
200	10	1	
10	20	1	
20	30	1	
30	40	1	T/Chinle @ 230'
40	50	1	
50	60	1	
60	70	1	
70	80	1	
80	90	1	cement & 100 Sh red.
90	300	1	cement & red shale
300	10	1	40s loose fg ss - SA 60 Sh red.
10	20	1	10 ss ditto 90 Sh ditto
20	30	1	100 Sh red & grey
30	40	1	100 Sh red
40	50	1	100 ss grey fg conc. p-p & k
50	60	1	30 ss ditto 70 Sh purp & red - lt. grey
60	70	1	100 Sh red & grey
70	80	1	100 Sh ditto
80	90	1	100 Sh ✓
90	400	1	100 Sh light red f. aren
400	10	1	TR 1s nod 100 Sh red.
10	20	1	10 ls nod 100 Sh ✓
20	30	1	80 ss grey red uf-fg conc. well cont. p-oil p & k 20 Sh ✓
30	40	1	90 ss ditto also ev. gr. v. calc. 10 Sh red - dk
40	50	15	100 ss as above
50	60	6/11	20 ss ditto 80 Sh dk red - purp & lt. grey
60	70	1/3	TR 5s ✓ 20 ls nod. 80 Sh mostly purp
70	80	1	100 Sh red
80	90	1	100 Sh red
90	500	1	TR 1s 100 Sh red - lt. grey bent f. aren
500	10	1	TR 5s grey conc. hd fg 10 ls nod. 90 Sh red & purp
10	20	1	20 ls nod. 80 Sh purp & lt. grey
20	30	1	70 ss grey fg conc. calc. cont. p-p & k 30 Sh ✓
30	40	1	90 ss - also mudstone congl. d. ls red. 10 Sh ✓

ROBERT E. LAUTH  
GEOLOGICAL CONSULTANT  
DURANGO, COLORADO

RECORD OF SAMPLE DESCRIPTION

SEC 30 TWP 20N RGE 28E LOCATION SWSW; 660 FSL, 660 FWL  
 FARM MERDE-INDIAN NO. 1 ELEVATION 5859 Grd.  
 OWNER Eastern Petroleum Co STATE ARIZONA COUNTY Apache  
 SAMPLES FROM 540 TO 880 EXAMINED BY R.E. LAUTH DATE Aug 15, 1972

NB 2540

FROM	TO	DRLG. TIME Min per 5ft	LITHOLOGIC DESCRIPTION, FORMATION AND REMARKS
540	50	5/6	TR LS congl & ss. red fg 100 sh red, purp & lt grey
50	60	6/5	100 sh red & lt grey
60	70	8/7	100 sh red fawn.
70	80	7/4	100 sh ditto & purp
80	90	11/9	30 ss purp fg p-p dk 70 sh ditto
90	600	10/5	90 ss ab later f- & med gr. p-p dk 10 sh
600	10	10/4	10 ss aa 90 sh purp & lt grey
10	20	6/5	TR SS - TR LS wht nod 100 sh purp
20	30	4/5	TR SS loose congl. 20 ls wht xln 80 sh purp.
30	40	5/4	100 sh purp
40	50	6/6	100 sh purp & lt grey
50	60	3/3	30 ss loose f. mg. ang. 70 sh ditto
60	70	8/8	TR chert. 100 sh purp some slickensided
70	80	8/7	100 sh wht & purp bent.
80	90	6/6	100 sh purp & grey.
90	700	9/6	100 sh purp gm & red (dk)
700	10	10/14	20 ss grey & clay filled 80 sh purp & grey
10	20	12/11	80 ss aa 20 sh ditto
20	30	11/6	10 ss ✓ 90 sh ✓
30	40	7/10	100 sh ✓ also fawn.
40	50	13/8	30 ss purp fg much clay amt 70 sh aa
50	60	11/12	70 ss ditto also one red nod 30 sh ✓
60	70	10/10	100 sh grey & green
70	80	15/10	100 sh ✓
80	90	2/3	100 sh aa
90	800	5/5	100 sh aa
800	10	15/5	note: lt grey sh has calc and quartz 100 sh aa
10	20	5/5	100 sh grey bent
20	30	5/5	100 sh red & grey
30	40	10/5	100 sh grey
40	50	10/5	TR LS nod. 100 sh ✓
50	60	10/5	100 sh ✓
60	70	6/5	40 ls. nod grey wht. film. 60 sh ✓
70	80	5/5	100 sh ✓ became red micaceous

ROBERT E. LAUTH  
 GEOLOGICAL CONSULTANT  
 DURANGO, COLORADO

NB 840

RECORD OF SAMPLE DESCRIPTION

PAGE NO. 3

SEC. 30 TWP. 20N RGE. 28E LOCATION SW SW ; 660 FSL, 660 FWL

FARM MERDE-INDIAN NO. 1 ELEVATION 5859 Grd

OWNER Eastern Petroleum Co STATE ARIZONA COUNTY Apache

SAMPLES FROM 880 TO 1200 EXAMINED BY R.E. Lauth DATE Aug. 16, 1912

FROM	TO	DRG. TIME Min per 5 ft.	LITHOLOGIC DESCRIPTION, FORMATION AND REMARKS
880	90	5/5	100 Sh grey & dk brn micaceous
90	900	5/5	7. calc. 100 Sh ditto also micaceous sdy
900	10	5/5	100 Sh grey & green
10	20	10/5	100 Sh grey bent
20	30	17/5	10 ss grey f-mg sr-sa much clay cont 90 Sh red dg
30	40	5/5	100 Sh grey
40	50	5/5	TR crs loose gr 100 Sh grey
50	60	3/7	100 Sh grey
60	70	5/10	TR large crs loose gr 100 Sh
70	80	10/10	80 ss clear grey f. crs loose grs sr-sa 20 Sh grey
80	90	10/5	10 ss ditto 90 Sh red dg
90	1000	7/8	100 Sh red & grey TR sticks sh
1000	10	13/20	20 ss clear loose crs gr. 80 Sh red-grey green-purple
10	20	16/13	TR ss TR pyrite 100 Sh ditto
20	30	16/17	30 ss dk red fg-p-pdk 70 Sh dk brn & red
30	40	11/6	100 Sh dk red & grey
40	50	8/14	TR ls 100 Sh dk red & brown
50	60	13/8	50 ss sub f-mg sr-a p-fair pdk clay cont 50 Sh brn.
60	70	6/9	90 ss & chert crs gr sr-sa loose 10 Sh aa
70	80	21/28	50 ss & chert aa 50 Sh vari. also brn
80	90	28/25	30 ss much red & yell chert 70 Sh ditto
90	1100	22/21	20 ss loose frosted red gr much chert 80 Sh vari. ch.
1100	10	38/20	TR ss aa also crs loose gr 100 Sh unicol & dk brn
10	20	23/25	TR ss aa also crs loose gr 100 Sh green & purple little red
20	30	7/11	30 ss sub crs gr firm also red up sdy 70 Sh vari. ch.
30	40	17/13	30 ss red brn sdy p-pdk 70 Sh ditto
40	50	18/19	TR aa 100 Sh brick-brn-red sdy & sdy
50	60	12/7	100 Sh ditto
60	70	21/73	60 ss clear loose fg sr-sa 40 Sh brn-choc.
70	80	20/11	20 ss tan-rootbeck hfg hd-dns. 80 Sh aa
80	90	19/19	20 ss ditto - some red up 80 Sh ✓
90	1200	19/19	20 ss ditto 80 Sh ✓
		1	
		1	

ROBERT E. LAUTH - GEOLOGICAL CONSULTANT DURANGO, COLORADO

NB 1120

4772 Eastern Petroleum Merde-Indian No. 1, SW/SW Section 30-T20N-R28E,  
Apache County, 1200' Shinarump Test, awaiting completion attempt.

**SUNDRY NOTICES AND REPORTS ON WELLS**

1. Name of Operator Eastern Petroleum Company  
 2. OIL WELL  GAS WELL  OTHER  (Specify) \_\_\_\_\_  
 3. Well Name Merde Indian No. 1  
 Location \_\_\_\_\_  
 Sec. 30 Twp. 20N Rge. 28E County Apache Arizona.  
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease Federal Lease  
 5. Field or Pool Name East Navajo Springs Coconino

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

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

Status: Shut In

RECEIVED

JUL 02 1973

O & G CONS. COMM.

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

Signed Robert C. Culley Title Vice President Date June 25, 1973

Permit No. 592

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

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

*W60*

Federal, State or Indian Lease Number, or lessor's name if fee lease	Field <b>East Navajo Springs</b>	Reservoir <b>Shinarump</b>
Indian Allotted Survey of Sec. 30, T20N, R28E,	County <b>Apache</b>	State <b>Arizona</b>
Operator <b>Eastern Petroleum Company</b>		
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:		
Street <b>P. O. Box 226</b>	City <b>Farmington</b>	State <b>New Mexico</b>
Above named operator authorizes (name of transporter) <b>Western Helium Corp.</b>		
Transporter's street address <b>P. O. Box 26</b>	City <b>Navajo</b>	State <b>Arizona</b>
Field address <b>Same</b>		
Oil, condensate, gas well gas, casinghead gas		
To transport	<b>100% of the gas-nitrogen-helium</b>	from said lease.
OTHER GATHERERS TRANSPORTING FROM THIS LEASE ARE AS FOLLOWS:		
Name of gatherer	% transported	Product transported
Indicate whether or not this certificate is for a new lease. If not a new lease, indicate whether or not it is a change of operator, change of lease name, change of gatherer, or a consolidation or subdivision of leases and give effective date of change.		
<b>NEW LEASE</b>		

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

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

November 8, 1972  
Date

*Robert C. Dullay*  
Signature

Date approved: \_\_\_\_\_

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

By: *W.B. Oll*

Permit No. 592

**RECEIVED**  
NOV 10 1972  
O & G CONS. COMM.

**STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION**  
Operator's Certificate of Compliance & Authorization to Transport Oil or Gas from Lease  
File Two Copies  
Form No. 2

SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Eastern Petroleum Company

2. OIL WELL  GAS WELL  OTHER  (Specify) \_\_\_\_\_

3. Well Name Merde-Indian #1  
660 FSL, 660 FWL

Location \_\_\_\_\_  
 Sec. 30 Twp. 20N Rge. 28E County Apache Arizona.  
Indian allotted

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

5. Field or Pool Name \_\_\_\_\_

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

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

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

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

Well has not yet been adequately drilled into Coconino Sandstone.

Propose to drill into Coconino Sandstone to determine gas-water contact level and then proceed to cut another 25 ft. and run and set 2 3/8 EUE tbg. to T.D.

RECEIVED

OCT 24 1972

O & G CONS. COMM.

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

Signed Robert C. Shelby Title Vice President Date 10-20-72

Permit No. 592

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

To: Arizona Oil and Gas Conservation Commission  
4515 North 7th Avenue  
Phoenix, Arizona 85013

TABULATION OF DEVIATION SURVEY

EASTERN PETROLEUM COMPANY Merde-Indian #1 660 FSL, 660 FWL  
Sec. 30, T20N, R28E  
Apache County, Arizona

DEPTH	DEVIATION
230	1/4
315	1/4
1005	1/2
1050	1/2
1200	1/2
1340	3/4

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

*Robert A. Sullivan*  
Signature

Vice President  
Title

October 19, 1972  
Date

RECEIVED

OCT 24 1972

O & G CONS. COMM.

Subscribed and sworn to before me this 19th day of October, 1972.

592

My commission expires:  
10-4-76

*Jandra Nightingale*

Notary Public In and for San Juan County,  
State of New Mexico

August 24, 1972

The following wells have been received by  
the Sample Cut.

Eastern Petr. #1 Merde Indian  
Sec. 30-20N-28E  
Apache Co. # 592

Eastern Petr. #1 Surprise Creek  
Sec. 29-19N-29E  
Apache Co. Ariz. # 586

St. Mary Parish, #2-16 Tseh-da-kate # 590  
Sec. 16-36N-29E  
Apache Co. Ariz.

**APPLICATION FOR PERMIT TO DRILL OR RE-ENTER**

APPLICATION TO DRILL

RE-ENTER OLD WELL

**Eastern Petroleum Company**  
NAME OF COMPANY OR OPERATOR

P. O. Box 291  
Address

**Carmi**  
City

**Illinois 62821**  
State

**Eastern Petroleum Company**  
Drilling Contractor

Same  
Address

**DESCRIPTION OF WELL AND LEASE**

Federal, State or Indian Lease Number, or if fee lease, name of lessor

**EPCO-Indian Allotted-Merde**

Well number

**1**

Elevation (ground)

**5859**

Nearest distance from proposed location to property or lease line:

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

Number of acres in lease: **660** feet

Number of wells on lease, including this well, completed in or drilling to this reservoir: **1** feet

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

Name

Address

Well location (give footage from section lines)

**660' FWL 660' FSL**

Section—township—range or block and survey

**30-20N-28E**

Dedication (Comply with Rule 105)

**160**

Field and reservoir (if wildcat, so state)

**East Navajo Springs**

County

**Apache**

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

**7 miles SE of Navajo**

Proposed depth:

**1200'**

Rotary or cable tools

**Rotary**

Approx. date work will start

**8-16-72**

Bond Status

**Blanket**

Organization Report

On file  Yes Or attached

Filing Fee of \$25.00

Attached  Yes

Remarks:

**Shinarump test**

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

**RECEIVED**

**AUG 11 1972**

**O & G CONS. COMM.**

Signature

**August 8, 1972**

Date

Permit Number: **592**

Approval Date: **8-11-72**

Approved By: *[Signature]*

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

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

Application to Drill or Re-enter

File Two Copies

Form No. 3

(Complete Reverse Side)

**APPLICATION FOR PERMIT TO DRILL OR RE-ENTER**

APPLICATION TO DRILL

RE-ENTER OLD WELL

**Eastern Petroleum Company**  
NAME OF COMPANY OR OPERATOR

**P. O. Box 291** **Carmi** **Illinois 62821**  
Address City State

**Eastern Petroleum Company**  
Drilling Contractor

**Same**  
Address

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor <b>EPCO-Indian Allotted-Merde</b>	Well number <b>1</b>	Elevation (ground) <b>5859</b>
---	-------------------------	-----------------------------------

Nearest distance from proposed location to property or lease line: <b>660</b> feet	Distance from proposed location to nearest drilling completed or applied—for well on the same lease: <b>660</b> feet
---	---

Number of acres in lease: <b>160</b>	Number of wells on lease, including this well, completed in or drilling to this reservoir: <b>1</b>
---	--

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

Well location (give footage from section lines) <b>660' FWL 660' FSL</b>	Section—township—range or block and survey <b>30-20N-28E</b>	Dedication (Comply with Rule 105) <b>160</b>
---	---	---

Field and reservoir (if wildcat, so state) <b>East Navajo Springs</b>	County <b>Apache</b>
--	-------------------------

Distance, in miles, and direction from nearest town or post office  
**7 miles SE of Navajo**

Proposed depth: <b>1200'</b>	Rotary or cable tools <b>Rotary</b>	Approx. date work will start <b>8-16-72</b>
---------------------------------	--	--

Bond Status <b>Blanket</b>	Organization Report On file <b>Yes</b> Or attached	Filing Fee of \$25.00 Attached <b>Yes</b>
-------------------------------	---	--

Remarks:  
**Shinarump test**

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

**RECEIVED**  
**AUG 11 1972**  
**O & G CONS. COMM.**

Signature *[Signature]*  
Date **August 8, 1972**

Permit Number: **592**  
Approval Date: **8-11-72**  
Approved By: *[Signature]*  
Notice: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

**STATE OF ARIZONA**  
**OIL & GAS CONSERVATION COMMISSION**  
Application to Drill or Re-enter  
File Two Copies  
Form No. 3

1. Operator shall outline the dedicated acreage for both oil and gas wells on the plat.
2. A registered professional engineer or land surveyor registered in the State of Arizona or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
3. All distances shown on the plat must be from the outer boundaries of the Section.
4. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES  NO
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:

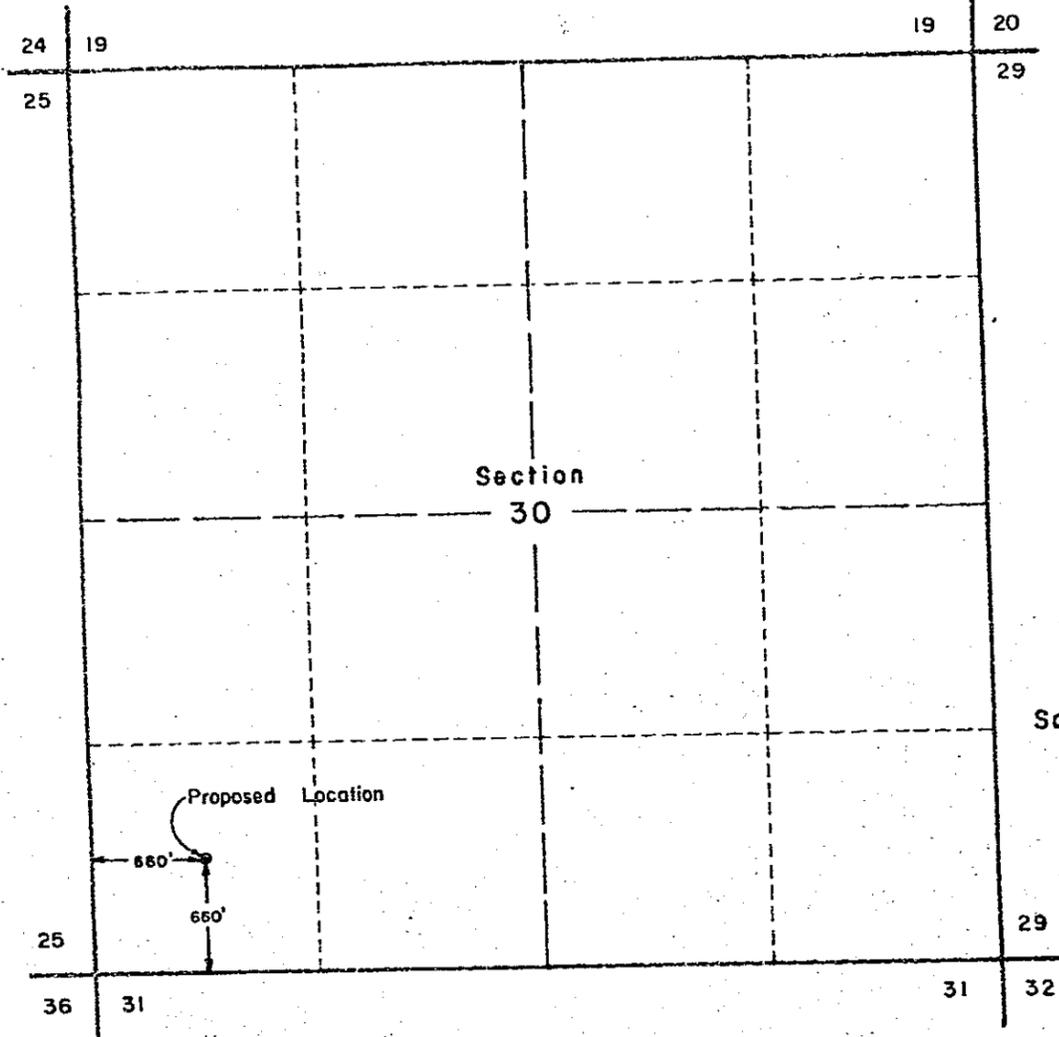
Owner	Land Description
<b>CERTIFICATION</b>	
I hereby certify that the information above is true and complete to the best of my knowledge and belief.	
Name <u>J. N. Edwards</u>	
Position <u>Secretary</u>	
Company <u>Eastern Petroleum Co.</u>	
Date <u>August 8, 1972</u>	
I hereby certify that the well 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 _____	
Registered Professional Engineer and/or Land Surveyor _____	
Certificate No. _____	

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
7"	22#	J-55	0	90	90	20

R27E R28E



Scale: 1" = 1000'

**WELL LOCATION: WESTERN HELIUM CORP. No. 1 MERDE - INDIAN**

*FWL* Located 660 feet East of the West line and *FSL* 660 feet North of the South line of Section 30,  
 Township 20 North Range 28 East Gila and Salt River Meridian,  
 Apache County, Arizona.  
 Existing ground elevation determined at 5859 feet based on U.S.G.S. datum.

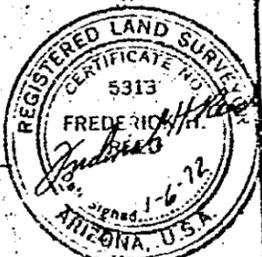
592 I hereby certify the above plat represents a survey  
 made under my supervision and that it is accurate  
 to the best of my knowledge and belief.

RECEIVED

AUG 11 1972

O & G CONS. COMM.

*Frederick H. Reed*  
 FREDERICK H. REED  
 Registered Land Surveyor  
 State of Arizona No. 5313



WESTERN HELIUM CORPORATION  
 Scottsdale, Arizona

**WELL LOCATION PLAT**  
**SEC. 30, T20N, R28E**  
 Apache Co., Arizona

CLARK - REED & ASSOC.  
 Durango, Colorado

DATE: January 8, 1972  
 FILE NO: 72001



# 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

EPCO-INDIAN ALLOTTED-MERDE NO. 1  
(WELL NAME)

located 660' FWL FWL + 660' FSL FSL

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

The 160 acres of Section 30-20N-28E ( 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 11th day of August, 19 72.

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.

OIL AND GAS CONSERVATION COMMISSION

By W. B. Allen  
EXECUTIVE SECRETARY

PERMIT **Nº 592**

RECEIPT NO. 2927  
API NO. 02-001-20169

SAMPLES ARE REQUIRED

State of Arizona  
Oil & Gas Conservation Commission  
Permit to Drill

FORM NO. 27

WA O Merdè Indian No. 1

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

Well drilled to T. D. of 1200 ft. Casing set at 1188 ft.  
Hole in casing at 730 ft., therefore no cementing occurred  
below 730 ft. Will have to squeeze lower zone 1188 to 730 ft.

Reud

8-31-72

OGE Coll.

Eastern Petrl.   
Box 226  
Farmington, New Mex. 87401



Arizona Oil & Gas Conservation Commission

4515 North 7th Avenue

Phoenix, Arizona 85013

RECEIVED

AUG 21 1974

O & G CONS. COMM.

EASTERN PETROLEUM CO.  
ACCOUNT NO. 2  
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 EPCO-Indian Allotted-Merde #1, Section 30-20N-28E, Apache Co., Arizona				25.00
		592				

RECEIVED

AUG 11 1972

O & G CONS. COMM.



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA

4515 NORTH 7TH AVE.      8500 N. CENTRAL, SUITE 106  
PHOENIX, ARIZONA 85013      PHOENIX, ARIZONA 85020  
PHONE: (602) 271-5161

September 3, 1975

Dr. C. F. Swain  
Crest Oil Company  
P. O. Box 57  
Alton, Illinois 62002

RE: Crest-Ariz Helium #8X S. F.      Crest-Ariz Helium #1 S. F.  
SE/4, NW/4      SE/4, SE/4  
Sec 25-T20N-R27E      Sec 25-T20N-R27E  
Apache Co., Ariz.      Apache Co., Ariz.  
Permit No. 473      Permit No. 471

Dear Dr. Swain

We have your letter of August 14, 1975 requesting release of the bond covering the above referenced wells.

The Crest 8X is eligible for release at the present time. The Crest #1 has been properly plugged, however the regulated dry hole marker has not been installed on this well the last time I checked.

I requested Mr. Fullop in April 1975 and again in June 1975 to have regulation dry hole markers placed on the wells that were recently plugged in this area. As of this date, he has completely ignored this request. Copies of the letters to Mr. Fullop are enclosed.

As quickly as these wells are in compliance with our rules and regulations, we will authorize release of the bond covering these wells.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/sl

Encls.

592



OFFICE OF

**Oil and Gas Conservation Commission**

STATE OF ARIZONA

XXXXXXXXXXXXXXXXXXXX  
PHOENIX, ARIZONA 85013

8686 N. Central, Suite 106  
Phoenix, Arizona 85020

PHONE: (602) 271-5161

76  
~~May 28~~  
June 28

April 28, 1975

Mr. Henry Fullop  
Eastern Petroleum Company  
P. O. Box 291  
Carmi, Illinois 62521

Re: Wells recently plugged by order of Commission

Dear Mr. Fullop:

We recently spot-checked a few of the wells that have been recently plugged to determine if the dry hole markers had been installed. On the six wells we checked, dry hole markers were on location. They were not permanently installed and neither did they have the required information. The only information on these markers were the section number, township and range, and in a few instances the permit number. As you know, the regulation marker is required to have the name of the operator, the state permit number, the well location by quarter/quarter, the numerical designation of the well and the type of lease. Copies of this rule are enclosed.

It will be appreciated if you have the correct dry hole marker permanently installed as quickly as possible.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

Encs.

cc Jess Edwards

June 25, 1975

Mr. Henry Fullop  
Eastern Petroleum Company  
P. O. Box 291  
Carmi, Illinois 62821

RE: Dry Hole Markers on Plugged  
Wells in Navajo Springs area

Dear Mr. Fullop:

On April 28, 1975, I advised you that the majority of wells that you recently caused to be plugged do not have correct dry hole markers. A recent check confirmed that proper dry hole markers had still not been erected.

Please advise this Commission when we can reasonably expect you to have proper identification placed on these plugged wells.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/sl

*cc - Mrs. Edwards*



Member: The Best Western  
Motels / AAA

C. G. Wallace, Owner

(505) 255-1654

# De Anza

MOTOR

LODGE / 4301 Central Avenue East / Albuquerque, N. M. 87108

On U.S. Hwy. 66 at Washington Street

April 25, 1975

Mr. W. E. Allen, Director  
Enforcement Section  
Oil & Gas Conservation Commission  
State of Arizona  
4515 North 7th Ave.  
Phoenix, Arizona 85013

Dear Mr. Allen:

Please find enclosed 3 permits, numbers 600, 596,  
and 592 which I have signed and notarized for you.

Some of the other wells I could use are on Indian  
Land and as soon as I can check these wells, you  
will hear from me.

In the meantime when you can, please call me.  
Thanks.

Very truly yours,

DE ANZA MOTOR LODGE

C. G. Wallace

CGW/mr

Enclosures:  
Permits



AIRPORT COURTESY CAR AVAILABLE

RECEIVED

APR 28 1975

O & G CONS. COMM.



WA

April 15, 1975

Mr. C. G. Wallace  
De Anza Motor Lodge  
4301 Central Ave., East  
Albuquerque, New Mexico

Dear Mr. Wallace:

This is a follow-up to the conversations that Mr. Fullop and I had with you last week concerning the water wells for your ranching activities.

In our letter of January 24 we mentioned that Kiva #1 and Kiva #2 were available for transfer to you. However, these two were plugged.

The four wells left open at the top and capable of producing water in desirable quantities are:

Santa Fe #6X-1 565  
Santa Fe-Beacon #1 600  
Indian Allotted Merde #2 596  
Indian Allotted Merde #1 597

The Merde #1 is a new one added to the list and the regular Water Well Acceptance form is enclosed for your handling with the Arizona Oil & Gas Commission, whose address is now 8686 North Central Avenue, Suite 106, Phoenix 85020.

Yours very truly,

EASTERN PETROLEUM COMPANY

*J. N. Edwards*  
Jesse N. Edwards

JNE:sjn

cc: Mr. W. E. Allen ✓  
Oil & Gas Commission

RECEIVED

APR 18 1975

O & G CONS. COMM.



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

April 7, 1975

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

Re: Commission Ordered Plugged Wells  
Navajo Springs Area

Dear Mr. Edwards:

In reply to your letter of April 3, 1975 regarding the wells that Mr. C. G. Wallace has indicated interest in acquiring in order to convert to water wells, this office has had no word from Wallace regarding his intentions. We did, at Mr. Wallace's request furnish him with copies of electric logs of these wells, however, that has been the extent of our communications with him.

On March 13, 1975 we wrote you regarding Plugging Reports on the wells you have recently plugged in the Navajo Springs area. We also requested this information from Mr. Fullop in a telephone conversation on February 20, 1975. As of this date, neither of you have seen fit to furnish this information. I would call your attention to Rule 202, C., Plugging Methods and Procedures of our Rules and Regulations. I would also call your attention to ARS Section 27-527, Penalties, copies of each are attached. The mood of the Commission is such that they could easily decide to enforce these penalties should you continue to fail to respond to our request.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

cc Mr. Fullop

Encs.



EASTERN PETROLEUM CO.  
EASTERN DRILLING, INC.

TELEPHONE (818) 382-4134 • P. O. BOX 291 • CARMEL, ILLINOIS 62821

April 3, 1975

Mr. W. E. Allen  
Oil & Gas Conservation Comm.  
4515 North 7th Avenue  
Phoenix, Arizona 85013

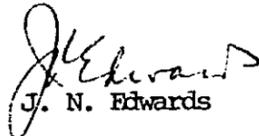
Dear Mr. Allen:

Please refer to our letter of January 24 to C. G. Wallace concerning transfer and acceptance of five wells for water wells.

We've had no response from Mr. Wallace. If he did formally accept these wells or any of them will you please mail us photocopies.

Yours very truly,

EASTERN PETROLEUM COMPANY

  
J. N. Edwards

JNE:sjn

RECEIVED  
APR 07 1975  
O & G CONS. COMM.



OFFICE OF

**Oil and Gas Conservation Commission**

STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

March 13, 1975

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

Re: Commission Ordered Plugged Wells  
Navajo Springs Area

Dear Mr. Edwards:

Your letter of March 10, 1975, requesting approved plugging forms for each well has been received. Prior to approving the applications to abandon and plug these wells, it will be necessary for you or some member of your firm to submit these copies detailing the manner in which the wells were plugged and the depth at which they were placed.

In a telephone conversation with Mr. Fullop several days ago we requested that these forms be submitted.

Please submit these forms as quickly as possible.

Very truly yours,

A handwritten signature in cursive script, appearing to read "W. E. Allen".

W. E. Allen, Director  
Enforcement Section

WEA/rlb

Encs.

WA



EASTERN PETROLEUM CO.  
EASTERN DRILLING, INC.

TELEPHONE (618) 382-4124 P. O. BOX 2911 CARBON, ILLINOIS 62621

March 10, 1975

Mr. W. E. Allen  
Arizona Oil & Gas Cons. Comm.  
4515 North 7th Avenue  
Phoenix, Arizona 85013

Re: Commission Ordered Plugged Wells

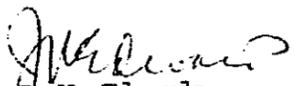
Dear Mr. Allen:

We are informed the wells ordered by the Commission to be plugged have been plugged.

Would you please send approved plugging copies of each well. I would presume the bond on these wells could be released.

Yours very truly,

EASTERN PETROLEUM COMPANY

  
J. N. Edwards

JNE:sjn

RECEIVED

MAR 18 1975

O & G CONS. COMM.

DATE: February 20, 1975  
SUBJECT: Eastern Petroleum Company Wells  
TO: 15 Eastern Files  
FROM: W. E. Allen, Director, Enforcement Section

Called Henry Fullop this date requesting plugging reports on all wells plugged and completion report on the Merde No. 2 well. Also asked him to find out status of the placement of dry hole markers and cleanups.



Member: The Best Western  
Motels / AAA  
C. G. Wallace, Owner  
(505) 255-1654

# DeCinza

On U.S. Hwy. 66 at Washington Street

MOTOR LODGE / 4301 Central Avenue East / Albuquerque, N. M. 87108

February 14, 1975

Mr. W. E. Allen, Director  
Enforcement Section  
Oil and Gas Conservation Commission  
4515 North 7th Avenue  
Phoenix, Arizona 85013

Dear Mr. Allen:

I am returning the Induction Electric Logs today  
by certified mail.

I appreciate your sending them to me very, very  
much. I especially want to thank you for telling  
me about the extra well in your listing which was  
not on my information from Eastern.

Sincerely yours,

C. G. Wallace  
CGW/lid  
Encls: (6)

RECEIVED  
FEB 16 1975  
O & G CONS. COM. DIV.



AIRPORT COURTESY CAR AVAILABLE





OFFICE OF

**Oil and Gas Conservation Commission**

STATE OF ARIZONA

4515 NORTH 7TH AVE.

PHOENIX, ARIZONA 85013

PHONE: (602) 271-5161

February 6, 1975

Mr. C. G. Wallace  
DeAnza Motor Lodge  
4501 Central Avenue East  
Albuquerque, New Mexico 87108

Dear Mr. Wallace:

We are enclosing Induction Electric Logs on the following six wells:

Santa Fe No. 6X-1  
Kiva-Santa Fe No. 1  
Kiva-Santa Fe No. 2  
Indian Allotted Merde No. 1  
Indian Allotted Merde No. 2  
Santa Fe-Beacon No. 1

Some of these logs may not do you a whole lot of good. In several of the wells the casing was set fairly deep and the operators were unable to log the wells above the bottom of the casing.

Please return these logs at your earliest convenience.

If we can be of any further service, please advise.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/r1b

Encs.

592



Member: The Best Western  
Motels, AAA

C. G. Wallace Owner

(505) 255-1654

# De Anza

On U.S. Hwy. 66 at Washington Street

MOTOR LODGE / 4301 Central Avenue East / Albuquerque, N. M. 87108

February 4, 1975

Oil & Gas Conservation Comm.  
4515 North 7th Avenue  
Phoenix  
Arizona 85013

Gentlemen,

Will you please furnish me the log on  
the following five wells on my ranch:

Santa Fe #6X-1  
Kiva-Santa Fe #1  
Kiva-Santa Fe #2  
Indian Allotted Merde #2  
Santa Fe-Beacon #1

I will appreciate this information as soon  
as possible. If there is any charge, please bill me  
for same.

RECEIVED

FEB 06 1975

O & G CONS. COMM.

CGW/g

Yours truly,

C. G. WALLACE



AIRPORT COURTESY CAR AVAILABLE



January 20, 1975

Mr. Henry Fullop  
Eastern Petroleum Company  
P. O. Box 291  
Carmi, Illinois 62821

Re: Eastern and Crest wells in the general area of Navajo Springs

Dear Mr. Fullop:

Attached is a list of wells drilled by Eastern and Crest in Apache County. According to our files this list reflects all wells that have been drilled by Eastern in this area. You will note that the list indicated the wells that have reportedly been plugged and abandoned, shut-in helium wells, production helium wells, some strat tests and also wells for which a permit was issued but were never drilled and the permits cancelled.

We have previously supplied you with lists of all the unplugged wells in this area and also the wells that have been ordered plugged by the Commission.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

Enc.

December 24, 1974

Memo to Eastern Petroleum File

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

Henry Fullop called December 20th. At that time he said that they planned on starting plugging operations on the 24th of December. Fullop called again this morning and asked for a brief extension in time. He said his father was seriously ill in the hospital and that he felt he could not leave him at that time. He also said he felt it was necessary that he be here during the plugging operations since he was familiar with the well locations and the completion method. Fullop asked John Bannister and myself if he could have his equipment in the Navajo Springs area and ready to start plugging immediately after the first of the year if not before. We agreed to grant Fullop this additional time due to the illness of his father.

After talking with Fullop I checked with the contractor who is to do the work, Albert Gentles. Gentles assured me that they were going to do the plugging for Eastern and had already dispatched some equipment to the area. The other equipment along with the personnel would be leaving Carmi, Illinois, within the next few days.

W H



UNITED STATES FIDELITY AND GUARANTY COMPANY  
INDIANAPOLIS OFFICE  
456 N. MERIDIAN ST., INDIANAPOLIS, IND. 46204  
FOSTER & MESSICK, MANAGERS

December 23, 1974

Attorney General's Office  
State of Illinois  
Phoenix, Arizona

ATTENTION: Mr. Mousel

RE: Bond No. 27716-13-3983-65 - Eastern Petroleum Company -  
State of Arizona

Dear Mr. Mousel:

This will confirm our telephone conversation on December 19, 1974 in regard to the plugging of the oil wells for the Eastern Petroleum Company in reference to the order of the Oil and Gas Commission, Case No. 48, Order No. 47.

We are attaching hereto a copy of the letter from Mr. Henry Phullop of the Eastern Petroleum Company concerning the plugging of the 13 wells listed in the order.

Very truly yours,

FOSTER & MESSICK, MGRS.

Harold E. Uhrig  
Claim Supervisor

HEU:ja

Enc.

cc: Oil and Gas Conservation Commission  
State of Arizona  
4515 North Seventh Avenue  
Phoenix, Arizona 85013  
ATTN: Mr. W. E. Ellen, Director

RECEIVED

DEC 23 1974

O & G COMS. COMM.



EASTERN PETROLEUM CO.  
EASTERN DRILLING, INC.

TELEPHONE (618) 382-4104 - P. O. BOX 291 - CARM, ILLINOIS 62821

December 20, 1974

RECEIVED

DEC 23 1974

Mr. Harold E. Uhrig  
Foster & Messick, Mgrs.  
456 N. Meridian Street  
Indianapolis, Indiana 46209

Re: Case No. 48  
Arizona O & G Comm.

Dear Mr. Uhrig:

We intend to commence plugging the thirteen wells this coming week as ordered by the Commission and expect to have at least one, if not two, plugged by December 25, 1974.

We've had difficulty in engaging contractors. All have been afraid to tackle the job without definite assurance they would be free of possible suits. The action of the state should minimize this possibility.

Yours very truly,

EASTERN PETROLEUM COMPANY

Henry Fullop

HF:sjn

cc: Mr. Glenn Becker  
McCallister, Becker & Hall  
Carmi, Illinois

DATE: December 19, 1974  
MEMO: Eastern Petroleum Company File  
FROM: W. E. Allen, Director, Enforcement Section  
SUBJECT: Plugging - Eastern Petroleum Company's wells

Craig Mousel from the Attorney General's Office called this date to tell me that he had talked with Mr. Uhrig of U.S.F.&G. regarding the Commission's order to plug certain of Eastern's wells. Mr. Uhrig told Craig that Fullop had told him he was leaving Carmi either the 20th or the 21st to come down here and make arrangements for these wells to be plugged. Uhrig said that Fullop would call the Attorney General's Office when he was in town, however, since Craig will be out of town for the holidays, he will leave word for him to contact me. Uhrig also told Craig that it was his opinion that Eastern Petroleum was solvent in that there would be no trouble in them plugging these wells.

If work has not started by December 30, Craig is to contact Uhrig again.

DATE: December 9, 1974  
MEMO: John Bannister, Executive Secretary  
FROM: W. E. Allen, Director, Enforcement Section  
SUBJECT: Eastern Petroleum Company - Navajo Springs

I contacted Dan Leavell this morning regarding his intentions to plug Eastern's wells in the Navajo Springs area. Mr. Leavell had previously contacted me regarding this operation. When I talked with him this morning, he told me that Henry Fullop had changed his mind in regards to using Mr. Leavell and he thought that Eastern was considering a fellow by the name of Red Gentles to perform this work.

Gentles is the fourth person that has been mentioned as the contractor for the plugging of these wells. After talking with Leavell, I wrote a letter to U.S.F. & G. reminding them that if Eastern had not started plugging the wells by December 25, this Commission would expect U.S.F. & G. to initiate the plugging of these wells.

/rlb



OFFICE OF  
**Oil and Gas Conservation Commission**

STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

CERTIFIED MAIL

December 9, 1974

Mr. Harold E. Uhrig  
U. S. F. & G. Company  
456 Meridian Street  
Indianapolis, Indiana 46209

Re: Oil & Gas Conservation Commission, State of Arizona  
Order No. 47, Eastern Petroleum Company

Dear Mr. Uhrig:

The above referenced order names U. S. F. & G. Company as surety under Bond No. 27716-13-3983-65. This bond guarantees Eastern's compliance with the Commission's orders, rules and regulations.

This order stipulates that work required to bring Eastern Petroleum Company into compliance with this Commission's orders shall be started by December 25, 1974. Since the issuance of this order, this Commission has had no direct communication with Eastern. The purpose of this letter is to remind you that if Eastern has not started positive action by the compliance date, this Commission will expect U. S. F. & G. to initiate plugging operations on the various wells listed in the order. Enclosed for your information is a copy of this order.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

Enc.

cc - Mr. Henry Fullop and Jess Edwards



OFFICE OF  
**Oil and Gas Conservation Commission**

STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

December 2, 1974

The Prentice-Hall Corporation System, Inc.  
521 Fifth Avenue  
New York, New York 10017

Attention: Mr. John F. Byrne, Jr.  
Vice President

Re: IN THE MATTER OF THE HEARING CALLED BY THE  
OIL AND GAS CONSERVATION COMMISSION OF THE  
STATE OF ARIZONA FOR THE PURPOSE OF CON-  
SIDERING:

CASE NO. 48

ORDER NO. 47

THE MOTION OF THE OIL AND GAS CONSERVATION  
COMMISSION THAT EASTERN PETROLEUM COMPANY,  
UNITED STATES FIDELITY AND GUARANTY COMPANY,  
AND THE PRENTICE-HALL CORPORATION SYSTEM  
SHOW CAUSE WHY THEY SHOULD NOT BE ORDERED  
TO PLUG CERTAIN WELLS AS BELOW LISTED

Gentlemen:

In reply to your letter of November 26, 1974, please be advised that the Oil and Gas Conservation Commission realizes that the position of The Prentice-Hall Corporation System, Inc. is merely that of statutory agent. The Commission has no intent to call upon Prentice-Hall for any reason whatsoever under our Order No. 47. You will note that in the body of the order, wherein Eastern Petroleum Corporation is required to perform certain tasks, no mention is made of Prentice-Hall.

Consequently, let us assure you that the Commission is aware

The Prentice-Hall  
Corporation System, Inc.  
December 2, 1974  
Page 2

of your position and realizes that you are not involved in any  
manner in the performance of the requirements of this Order.

Sincerely,

*John Bannister*  
John Bannister  
Executive Secretary

JB/vb

cc - Mr. Hubert E. Kelly  
Kelly & Corbin  
550 W. Washington Street  
Phoenix, Arizona 85003

Mr. Henry Fullop  
Eastern Petroleum Company  
P.O. Box 291  
Carmi, Illinois 62821

The Attorney General  
State Capitol  
Phoenix, Arizona 85007

THE PRENTICE-HALL CORPORATION SYSTEM, INC.

212-687-7660

521 FIFTH AVENUE, NEW YORK, NEW YORK 10017

CABLE PRENSYSTEM

AIR MAIL =  
CERTIFIED MAIL NO. 170186

November 26, 1974

Hon. Ralph W. Bilby, Chairman  
Oil And Gas Conservation Commission  
State of Arizona  
Phoenix, Arizona 85003

RE: IN THE MATTER OF THE HEARING CALLED  
BY THE OIL AND GAS CONSERVATION  
COMMISSION OF THE STATE OF ARIZONA  
FOR THE PURPOSE OF CONSIDERING:

THE MOTION OF THE OIL AND GAS  
CONSERVATION COMMISSION THAT EASTERN  
PETROLEUM COMPANY, UNITED STATES  
FIDELITY AND GUARANTY COMPANY, AND  
THE PRENTICE-HALL CORPORATION SYSTEM  
SHOW CAUSE WHY THEY SHOULD NOT BE  
ORDERED TO PLUG CERTAIN WELLS AS  
BELOW LISTED

CASE NO. 48

ORDER NO. 47

Dear Sir:

Enclosed is a copy of the Order of your Commission, referred to  
above, which we have just received, indirectly, through our  
correspondents, Messrs. Kelly & Corbin of Phoenix, Arizona.

It is noted that "THE PRENTICE-HALL CORPORATION SYSTEM" has been,  
by this Order, directed to show cause why it, together with certain  
other corporations, including EASTERN PETROLEUM COMPANY, should  
not be ordered to "Plug Certain Wells."

According to our records, our company, THE PRENTICE-HALL CORPORATION  
SYSTEM, INC. is and has been serving as the "Statutory Agent" (see

Hon. Ralph W. Bilby, Chairman

-2-

November 26, 1974

Section 10-127, ARIZONA GENERAL CORPORATION LAW) since the date that the corporation so represented was qualified as a foreign corporation in Arizona, to wit: October 16, 1959.

Our relationship with said EASTERN PETROLEUM COMPANY is, and has been during that entire period, limited to the duties and responsibilities of a "Statutory Agent" under your law and never, in any way, involved in the business affairs or corporate objectives of said EASTERN PETROLEUM COMPANY.

Therefore, as it was error on the part of your Commission to designate THE PRENTICE-HALL CORPORATION SYSTEM, INC. in the above Order as a party thereto, we respectfully request that your Commission take immediate action to qualify or amend such Order to the extent necessary and appropriate to eliminate THE PRENTICE-HALL CORPORATION SYSTEM, INC. from the force and effect of the Order and, indeed, to eliminate our company from any involvement whatsoever in the proceedings underlying or resulting in the issuance of said Order.

To reiterate, our company does not, in any way, participate in the business activities of any of the corporations for which it acts as statutory process agent, its function being to merely provide the Registered Office as a place where process against corporations represented may be served and the forwarding of such process to the person or law firm which has been designated by the corporation or corporations so represented.

Please take immediate action in this matter and provide us with a copy of your amended Order.

Respectfully yours,

THE PRENTICE-HALL CORPORATION SYSTEM, INC.

*John F. Byrne, Jr.*  
Vice-President

JFB:es

cc: Hubert E. Kelly, Esq.  
Kelly And Corbin, Esqs.  
550 West Washington Street  
Phoenix, Arizona 85003  
Henry Fullop, Esq.  
Eastern Petroleum Company  
P. O. Box 291  
Carmi, Illinois 62821



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

NOTICE OF HEARING

CASE NO. 48

Notice is hereby given to all interested parties, and specifically but not limited to EASTERN PETROLEUM COMPANY, Post Office Box 291, Carmi, Illinois 62821, as operator of the below listed wells and as principal under United States Fidelity and Guaranty Company Bond Number 27716-13-3983-65, to UNITED STATES FIDELITY AND GUARANTY COMPANY of 456 North Meridian Street, Indianapolis, Indiana 46209, as surety under the above specified bond, and to THE PRENTICE-HALL CORPORATION SYSTEM, 550 West Washington, Phoenix, Arizona 85003, as statutory agent for the above identified Eastern Petroleum Company, that the OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF ARIZONA, pursuant to the authority granted in ARS 27-516.B, will hold a hearing on its own motion, at its offices at 4515 North 7th Avenue, Phoenix, Arizona 85013, at 10:00 a.m. on November 15, 1974 to <sup>show cause</sup> ~~consider~~ why EASTERN PETROLEUM COMPANY as operator of the below listed wells, and as principal under USF&G bond, above identified, and UNITED STATES FIDELITY AND GUARANTY COMPANY as surety under USF&G bond, above identified, should not be ordered to plug the below identified wells for violations of the Commission's rules and regulations, and the applicable statutes of the State of Arizona, to wit, but not limited,

to ARS 27-503.A, ARS 27-516.A.1.a.,b.,c.,d.,4 and 6, and to the Commission's rules and regulations (1971) to wit, but not limited to 3,107.A.,B.; and 202.B:

<u>PERMIT NUMBER</u>	<u>WELL NAME</u>	<u>LOCATION</u>
234	Ancon Santa Fe Fee #21	SE/NW Sec 31-20N-28E
536	Santa Fe Fee #24	1650 FNL-2640 FWL SE/NW Sec 24-20N-27E
537	Santa Fe Fee #21-1A	NW/NW Sec 31-20N-28E
560	Kiva Santa Fe Fee #1	NE/SW Sec 13-20N-28E
565	Santa Fe #6X-1	SE/NW Sec 25-20N-28E
568	Santa Fe Fee Sanders #2	NE/SW Sec 15-21N-28E
578	Szar State #1	NE/NW Sec 36-20N-27E
584	Santa Fe Fee Dreck #1	SE/SW Sec 25-20N-27E
592	Indian Allotted Merde #1	SW/SW Sec 30-20N-28E
596	Indian Allotted Merde #2	SW/SE Sec 30-20N-28E
599	Kiva Santa Fe Fee #2	NE/SW Sec 24-20N-28E
600	Santa Fe Fee Beacon #1	NW/SE Sec 29-20N-29E
601	Santa Fe Fee #1-11	NW/SE Sec 11-20N-28E

OIL AND GAS CONSERVATION COMMISSION  
STATE OF ARIZONA

ATTEST

By (Original Signed)

Ralph W. Bilby, Chairman

(Original Signed)

John Bannister  
Executive Secretary

Done this 1st day of November, 1974

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

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL AND GAS CONSERVATION  
COMMISSION OF THE STATE OF ARIZONA  
FOR THE PURPOSE OF CONSIDERING:

CASE NO. 48

ORDER NO. 47

THE MOTION OF THE OIL AND GAS  
CONSERVATION COMMISSION THAT EASTERN  
PETROLEUM COMPANY, UNITED STATES  
FIDELITY AND GUARANTY COMPANY, AND  
THE PRENTICE-HALL CORPORATION SYSTEM  
SHOW CAUSE WHY THEY SHOULD NOT BE  
ORDERED TO PLUG CERTAIN WELLS AS  
BELOW LISTED

ORDER OF THE COMMISSION

BY THE COMMISSION

This cause was considered at 10:00 a.m. on November 15, 1974  
at Phoenix, Arizona, by the OIL AND GAS CONSERVATION COMMISSION of  
the STATE OF ARIZONA, hereinafter referred to as the COMMISSION.

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

FINDINGS:

(1) THAT the COMMISSION has jurisdiction of the subject  
matter thereof.

(2) THAT the COMMISSION did order EASTERN PETROLEUM COMPANY,  
as operator of the below-listed wells and as principal under Bond  
Number 27716-13-3983-65, to plug the below-listed wells:

Case No. 48  
Order No. 47  
Page 2

<u>PERMIT NUMBER</u>	<u>WELL NAME</u>	<u>LOCATION</u>
234	Ancon Santa Fe Fee #21	SE/NW Sec 31-20N-28E
536	Santa Fe Fee #24	1650 FNL-2640 FWL SE/NW Sec 24-20N-27E
537	Santa Fe Fee #21-1A	NW/NW Sec 31-20N-28E
560	Kiva Santa Fe Fee #1	NE/SW Sec 13-20N-28E
565	Santa Fe #6X-1	SE/NW Sec 25-20N-28E
568	Santa Fe Fee Sanders #2	NE/SW Sec 15-21N-28E
578	Szar State #1	NE/NW Sec 36-20N-27E
584	Santa Fe Fee Dreck #1	SE/SW Sec 25-20N-27E
592	Indian Allotted Merde #1	SW/SW Sec 30-20N-28E
596	Indian Allotted Mdrde #2	SW/SE Sec 30-20N-28E
599	Kiva Santa Fe Fee #2	NE/SW Sec 24-20N-28E
600	Santa Fe Fee Beacon #1	NW/SE Sec 29-20N-29E
601	Santa Fe Fee #1-11	NW/SE Sec 11-20N-28E

(3) THAT EASTERN PETROLEUM COMPANY has failed to comply with the orders of the COMMISSION.

(4) THAT UNITED STATES FIDELITY AND GUARANTY COMPANY is surety under United States Fidelity and Guaranty Bond No. 27716-13-3983-65 and, as such, guarantees compliance of EASTERN PETROLEUM COMPANY with the COMMISSION'S orders, rules and regulations.

(5) THAT, in order to prevent waste and to protect underground water stratas which have been penetrated by the above-identified wells, EASTERN PETROLEUM COMPANY should plug said wells in accordance with the Application to Plug as filed by EASTERN

PETROLEUM COMPANY with this COMMISSION as to each of the above-identified wells.

IT IS THEREFORE ORDERED:

(1) THAT EASTERN PETROLEUM COMPANY plug the following wells:

<u>PERMIT NUMBER</u>	<u>WELL NAME</u>	<u>LOCATION</u>
234	Ancon Santa Fe Fee #21	SE/NW Sec 31-20N-28E
536	Santa Fe Fee #24	1650 FNL-2640 FWL SE/NW Sec 24-20N-27E
537	Santa Fe Fee #21-1A	NW/NW Sec 31-20N-28E
560	Kiva Santa Fe Fee #1	NE/SW Sec 13-20N-28E
565	Santa Fe #6X-1	SE/NW Sec 25-20N-28E
568	Santa Fe Fee Sanders #2	NE/SW Sec 15-21N-28E
578	Szar State #1	NE/NW Sec 36-20N-27E
584	Santa Fe Fee Dreck #1	SE/SW Sec 25-20N-27E
592	Indian Allotted Merde #1	SW/SW Sec 30-20N-28E
596	Indian Allotted Merde #2	SW/SE Sec 30-20N-28E
599	Kiva Santa Fe Fee #2	NE/SW Sec 24-20N-28E
600	Santa Fe Fee Beacon #1	NW/SE Sec 29-20N-29E
601	Santa Fe Fee #1-11	NW/SE Sec 11-20N-28E

(2) THAT EASTERN PETROLEUM COMPANY commence the plugging operations on or before the 25th day of December, 1974 and complete said plugging operations as soon thereafter as is possible in accordance with reasonable and acceptable standards of the oil and gas industry.

(3) THAT any Certificate of Clearance or Certificate of Compliance which may have been issued to Eastern Petroleum Company

comply with this order, THE UNITED STATES FIDELITY AND GUARANTY COMPANY is to bring the above-identified wells into compliance with this order and with the rules and regulations of this COMMISSION

DONE at Phoenix, Arizona, on the 15th day of November, 1974.

OIL AND GAS CONSERVATION COMMISSION  
STATE OF ARIZONA

By (Original signed)  
Ralph W. Bilby, Chairman

( S E A L )

ATTEST:

(Original signed)  
John Bannister  
Executive Secretary

APPROVED AS TO FORM  
*Craig M. ...*  
Assistant Attorney General  
Date Nov. 19, 1974

*I would suggest that maybe within the order part a reference be made to the possibility of revoking a certificate of compliance; the order, however, is fine on its face without the above suggestion.*

November 22, 1974

Mr. Dan LaBell  
300 South Walnut  
Carmi, Illinois 62821

Re: Eastern Petroleum Company Wells - Navajo Springs Area

Dear Mr. LaBell:

Attached are copies of Form 9, Application to Abandon and Plug, for Eastern's 13 wells in the Navajo Springs area. You will note that these applications were submitted by Eastern and approved by this office. Also attached are completion reports on 12 of the 13 subject wells. A completion report was never filed on one well.

We are also attaching tabulations on 24 of Eastern's 26 unplugged wells in this area. The remaining two wells, Eastern Santa Fe No. 13 located in Section 31-T20N-R27E and Barfoot No. 1 in Section 32-T20N-R27E are currently producing into Kerr-McGee's helium extraction plant. All figures and estimates on the tabulation were either submitted by Eastern or derived from information submitted by Eastern to this office.

Please notify this office prior to commencing any plugging operations. A representative from this office will witness the plugging of all wells.

Please advise if we can be of any further assistance.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rib

Encs.

November 18, 1974

Office of the Attorney General  
State Capitol  
Phoenix, Arizona 85007

Attention: Mr. Craig Mousel

Re: Case No. 48

Gentlemen:

Attached please find the order the Oil and Gas Conservation Commission intends to issue on the captioned case. You are requested to approve this order as to form and content. I would appreciate your earliest comments, inasmuch as we have established a deadline of December 25th and want ample time to notify the people responsible.

Should you have any questions, please advise.

Yours truly,

John Bannister  
Executive Secretary

JB/vb

Enc.

November 1, 1974

REGISTERED, RETURN  
RECEIPT REQUESTED

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

U.S. Fidelity & Guaranty Company  
456 N. Meridian St.  
Indianapolis, Indiana 46209

The Prentice-Hall Corporation System  
550 W. Washington  
Phoenix, Arizona 85003

Gentlemen:

Attached please find a copy of Notice of Hearing wherein each of you is involved. Eastern Petroleum Company has been ordered to plug the wells listed in the Notice of Hearing and have failed to comply with the Oil and Gas Commission's orders.

Should Eastern Petroleum Company be ordered after the hearing to plug these wells and fail to do so, it will be necessary for the United States Fidelity and Guaranty Company to make good on their bond and see that the requested plugging is accomplished.

The hearings before this Commission are informal by nature and it is not necessary that appearance before this Commission be made by an attorney. Of course, you are free to use an attorney should you so desire.

Should you have any questions, please advise.

Sincerely,

John Bannister  
Executive Secretary

JB/vb

Enc.

October 29, 1974

The Attorney General  
State Capitol  
Phoenix, Arizona 85007

Attention: Mr. John McGowan  
Special Assistant Attorney General

Dear Sir:

You are well aware that it has been necessary for this Commission to repeatedly request Eastern Petroleum Company to comply with our rules and regulations. Several times this Commission has found it necessary to request aid from your office to force Eastern to comply with certain of our rules.

Eastern has some 26 known unplugged wells in the Navajo Springs helium area that have been drilled over the past several years. Some of these wells have never produced and tests indicate them to be incapable of production. Other wells have produced but are presently shut-in for various reasons. Eastern has only two wells producing in this area at the present time.

On February 1, 1974 we advised Eastern and their bonding company, United States Fidelity and Guaranty, 456 North Meridian Street, Indianapolis, Indiana, that unless positive steps were taken to activate these wells, the Commission would of necessity order the wells plugged. A brief reply to the above letter was received by this office on February 19, 1974. It stated that the nonproducers would probably be plugged. After receiving this reply, Eastern was notified to submit Form 9, application to abandon and plug, certain of these wells for our approval. Following this interchange of correspondence, no further communication was received from Eastern. On April 12, 1974 Eastern, the bonding company and certain other interested partners were notified by registered mail of the necessity to plug a number of these wells. We received no response to this letter. On June 21, 1974, Eastern and the bonding company were notified by registered mail that a plugging program must be started by August 31, 1974. The original of this letter addressed to Mr. Henry Fullop, president of Eastern, was returned "unclaimed". Following the return of this letter, a copy was submitted to Eastern's Arizona statutory agent, the Prentice Hall Corporation, 550 West Washington, Phoenix, Arizona. On August 15, 1974, Mr. Fullop submitted a list of 13 wells that he proposed to plug. Our reply to this letter dated

Mr. John McGowan  
October 29, 1974  
Page 2

August 22, 1974, requested that application to abandon and plug the suggested wells be submitted immediately and plugging operations commence by September 30, 1974. We received these forms on September 3, 1974. After studying the suggested plugging program, the applications were approved and copies returned to Eastern on September 9, 1974. Following the return of these approved applications to abandon and plug, Mr. Fullop brought to this office a contractor he had supposedly engaged to perform the plugging operations. On September 19, 1974, Mr. Jess Edwards and an Eastern representative called and told me that the contractor that had been engaged was hesitant to do the work for fear of legal conflicts with Eastern's partners. Mr. Edwards was informed during this conversation that insofar as the Commission was concerned, Eastern and Eastern alone was responsible and the wells must be plugged by either Eastern or the bonding company. Since this conversation, we have had no further contact concerning this subject with Eastern. Eastern has, however, submitted copies of three letters that they have written to their alleged partners informing these people of the Commission's stand on this matter.

The above is a brief summary of our attempts to have Eastern Petroleum plug certain wells drilled for helium that are incapable of production in their present condition. The letter from Mr. Bannister that I left with you this morning states the desire of this Commission regarding the action that the Commission wishes to be taken.

We would appreciate a written reply informing us of the action you plan to take concerning this matter. If you need any further information, please call me at 271-5161.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

October 18, 1974

The Attorney General  
State Capitol  
Phoenix, Arizona 85007

Attention: Mr. John McGowan, II  
Special Assistant Attorney General

Re: Eastern Petroleum Company, Navajo Springs Area

Dear Sir:

Attached please find a schedule setting forth a list of wells by permit number, location, etc. All of these wells were drilled by Eastern Petroleum Company under U.S. Fidelity and Guaranty Company Bond No. 27716-13-3953-65. Also attached is the original bond, as captioned.

Eastern Petroleum Company has failed to comply with the Commission's request to plug thirteen wells, said wells being indicated by an asterisk on the schedule. At the regular Commission meeting of October 18, 1974, the Commission instructed me to request the Attorney General to institute a show-cause proceeding against Eastern Petroleum Company and their bonding company to accomplish plugging of these wells.

There are, in all likelihood, unknown principals, and the proceedings should be to such end to force disclosure of said principals and force their compliance with our regulations.

Should you need anything further, please advise.

Respectfully,

John Bannister  
Executive Secretary

JB/vb

Enc.



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

October 11, 1974

MEMO: John Bannister, Executive Secretary  
FROM: W. E. Allen, Director, Enforcement Section  
SUBJECT: Eastern Petroleum Company Operations - Navajo Springs Area

Mr. Fullop has informed me that prior to plugging certain wells in the Navajo Springs area, he needs approval from his partners. We have information that indicates his partners to be John F. Staver, Daniel L. Schwetz, Western Helium Corporation, Dr. C. F. Swain--operating as Crest Oil Company and, of course, Kerr-McGee is involved in the Navajo Springs Unit (Coconino). Eastern has two wells in the Navajo Springs Unit producing into Kerr-McGee's helium extraction plant. These two wells are Eastern Santa Fe No. 13 and Kerr-McGee Barfoot #1.

Of the 13 wells for which Eastern has submitted Applications to Plug and Abandon, none of these are in the Navajo Springs Unit and only three of these wells have ever produced. These wells produced into Western Helium's plant. This plant shutdown December 31, 1973 and no gas has been taken from any wells in this area since that date. The above mentioned partners with the exception of Kerr-McGee and Swain apparently have no interest in the Navajo Springs Unit.

The land owners or lessees of acreage on which these wells are located are Wayne Wallace, Spurlocks, Reece, Santa Fe Railroad and the State of Arizona. I have no knowledge of any other lessees or land owners.

Prentice Hall Corporation System is the statutory agent.

United States Fidelity and Guaranty Company is the surety.

Western Helium Corporation has been advised of the necessity to plug their Connelly #1 KM State, Permit #553, NE/NE Section 36-T20N-R27E, Apache County. This well is covered under Western Helium's bond of \$25,000. Travelers Indemnity Company is surety.

*Mr Allen*  
*Recd 9/26/74*



September 23, 1974

Mr. Henry Fullop  
Eastern Petroleum Company  
P. O. Box 291  
Carmi, Illinois 62821

ABANDONMENT OF SHUT-IN WELLS  
NAVAJO SPRINGS UNIT  
APACHE COUNTY, ARIZONA

This is in response to your letter dated September 10, 1974, which advised that the Arizona Oil and Gas Conservation Commission had requested abandonment of all shut-in wells within the subject unit. Kerr-McGee is of the opinion that these wells should not be abandoned at this time as they may be needed in the future as producing wells or for reservoir performance monitoring.

Mr. Bill Allen, with Arizona Oil and Gas Conservation Commission, indicated by telephone on September 23, 1974, that the Commission has given additional consideration to its request that the shut-in unit wells be abandoned, and will not require abandonment of these wells at this time. It is therefore recommended that abandonment of the shut-in unit wells be deferred indefinitely.

Very truly yours,  
KERR-MCGEE CORPORATION

*John I. Fisher*  
John I. Fisher, Manager  
Outside Operations  
Oil & Gas Production Division

JIF/IDG/kb

cc: Crest Oil Company  
P. O. Box 57  
Alton, Illinois 62002

Mr. J. F. Schlafly  
First National Bank Bldg.  
Alton, Illinois 62002

Estate of G. R. Barfoot  
Ehmann, Olsen & Lane  
2500 First Federal Savings Bldg.  
3003 N. Central Avenue  
Phoenix, Arizona 85013



EASTERN PETROLEUM CO.  
EASTERN DRILLING, INC.

TELEPHONE (818) 382-4104 - P. O. BOX 291 - CARMEL, ILLINOIS 62821

September 20, 1974

Mr. John F. Staver  
P. O. Box 950  
Virginia, Minnesota 55792

Dear Mr. Staver:

Mr. W. E. Allen, Director, Enforcement Section, Oil and Gas Conservation Commission, has notified us that he has been instructed by motion of the full Commission to order the plugging of all inactive wells, producible and non-producible, in the Navajo Springs-Sanders area, with actual plugging operations to begin by September 30, 1974. This order also applies to shut-in wells in the Navajo Springs Unit. We have no alternative other than to comply.

However, since you are an owner in the below listed wells we would like your permission to proceed. On the other hand, if you prefer, we will transfer to you any remaining interest that we may own. This would mean, of course, you would have to place these wells under your own bond, and become liable for their eventual plugging, unless you make an attempt to produce them. Western Helium's withdrawal would appear to preclude any probability of a market, however.

Santa Fe #21-A	-	Section 31-20N-28E	537
Santa Fe #21	-	Section 31-20N-28E	234
Szar-State #1	-	Section 36-20N-27E	578
Merde Indian #1	-	Section 30-20N-28E	593
Merde Indian #2	-	Section 30-20N-28E	596
Santa Fe #24	-	Section 24-20N-27E (Western Hel.)	534

Please give this your immediate attention and advise accordingly.

Yours very truly,

EASTERN PETROLEUM COMPANY

*Henry Fullop*  
Henry Fullop

RECEIVED

SEP 22 1974

O & G CONS. COMM.

HF:sjn

CERTIFIED MAIL NO. 62410  
RETURN RECEIPT REQUESTED

September 19, 1974

Memo from W. E. Allen, Director  
Enforcement Section

Memo to file  
Eastern wells in Navajo Springs area

Jess Edwards called this date to say that he had run into some difficulty with the contractors that were to plug these wells. He said that Wayne Carr was hesitant to start plugging the subject wells without receiving an OK from all of Eastern's partners. Edwards said he was also contacting the partners to advise them that this Commission had ordered the wells plugged. He wanted to know if we could jointly order Eastern and partners to plug the wells. I was not sure about this and so informed him. I also told him that insofar as the Commission was concerned, Eastern was the owner of these wells and this Commission would hold Eastern and the bonding company responsible for the plugging, not the partners. I also told him that in my opinion if the Commission should continue to insist that the wells be plugged, their only recourse was to call a hearing and attempt to convince the majority of the Commission that this action was not necessary. If unable to do this, they could appeal the Commission's order to the Supreme Court. Eastern said they would attempt to get an agreement from the partners. He also promised to keep me informed.

CERTIFIED MAIL

August 22, 1974

Mr. Henry Fullop  
Eastern Petroleum Company  
P. O. Box 291  
Carmi, Illinois 62821

Re: Apache County Wells

Dear Mr. Fullop:

We have your letter of August 15, 1974 together with a list of wells you propose to plug immediately. It is my opinion that if the list of wells, as submitted by you, are plugged very quickly that this operation will probably satisfy the Commission for the near future. Especially if there are plans to produce the remaining wells in the Navajo Springs area. The above statement cannot be taken as absolute, for I have been instructed by motion of the full Commission to order the plugging of all inactive wells in the Navajo Springs--Sanders area.

I talked with Mr. Noah Reynolds this morning. Mr. Reynolds informs me that final arrangements have not been made for him to undertake the plugging and abandonment of the 13 listed wells. As you know, prior to plugging a well the operator must submit Form 9, Application to Abandon and Plug, for the Commission's approval. Enclosed is a supply of these forms.

We will expect to receive a completed Form 9 for our approval on each of the 13 wells by September 4, 1974; and furthermore, the actual plugging operations must begin by September 30, 1974. If the above instructions are not complied with on a timely basis, this Commission will order the bonding company to plug all wells not now producing and operated by Eastern Petroleum Company in Apache County.

Mr. Henry Fullop  
August 22, 1974  
Page 2

This Commission must be notified prior to any plugging operations so we may have a representative present to witness the plugging. Your cooperation in this matter is urgently requested.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

Encs.

cc: Mr. Noah Reynolds  
Mr. Jess Edwards, certified mail  
Prentice-Hall Corporation System, certified mail  
Mr. Harold E. Uhrig, U.S.F.&G., certified mail

*Form 9 mailed under separate cover*



EASTERN PETROLEUM CO.  
EASTERN DRILLING, INC.

TELEPHONE (812) 362-4124 • P. O. BOX 291 • CARMEL, ILLINOIS 62821

August 15, 1974

Mr. W. E. Allen  
Oil & Gas Conservation Comm.  
4515 North 7th Avenue  
Phoenix, Arizona 85013

Re: Apache County Wells

334-2567

Dear Mr. Allen:

We have made arrangements with Mr. Noah <sup>Reynolds</sup> Richards, Aztec, New Mexico, to salvage and plug the wells listed on the attached schedule.

Mr. <sup>Reynolds</sup> Richards has to fit this into his busy work schedule and it is possible that he may be unable to start until after the 31st. I understand that he will contact you in this regard.

The shut-in wells in the Navajo Springs Unit are not scheduled. I am sure the various owners of the Unit would not want to take such action now. It is entirely possible these wells may be required to sustain the normal take in the future. As you know the Spurlock case has cast, temporarily at least, a shadow over future operations, with the trial scheduled for 1975.

Yours very truly,

EASTERN PETROLEUM COMPANY

*Henry Fullop*  
Henry Fullop

HF:sjn

Enc.

cc: Mr. Noah <sup>Reynolds</sup> Richards

Mr. Harold E. Uhrig  
Foster & Messick, Mgrs.  
456 N. Meridian Street  
Indianapolis, Indiana 46209

RECEIVED

AUG 19 1974

O & G CONS. COMM.

APACHE CITY WELLS SCHEDULED PLUGGING

PERMIT #	WELL NO & LOCATION	PIPE IN HOLE
110	1- SF#24 - 1650 FNL, 2640 FNL, 24-20N-27E	1303 - 2 7/8" 315 - 7"
536	2 SF 21-1A - 660 FNL, 660 FNL, 31-20N-28E	1218 - 4 1/2" 244 - 7"
234	3 SF#21 - 1650 FNL, 1650 FNL - 31-20N-28E	1330 - 2 7/8" 228 - 7"
565	4 KIVA 6X-1 - 2378 FNL, 2364 FNL, 25-20N-28E	1262 - 4 1/2" 309' - 7"
560	5 KIVA-SF#1 - 1980 FNL, 1966 FSL, 13-20N-28E	- 551' 7" - SFC NO PIPE
599	6 KIVA-SF#2 - 1650 FNL, 1650 FSL - 24-20N-28E	- 1212 - 4 1/2" 616 - 7"
568	7 SANDERS-SF#1 - 1650 FSL, 2310 FNL, 15-21N-28E	- 516' - 4 1/2" NO SFC CSG.
600	8 BEACON-SF#1 - 1980 FNL, 1980 FSL - 29-20N-28E	- 1265 - 4 1/2" 640 - 7"
578	9 SZAR-STATE#1 - 660' FNL, 1980 FNL, 36-20N-27E	1215 - 4 1/2" 300 - 7"
592	10 MEXAS INDIAN#1 - 660 FSL, 660 FNL - 30-20N-28E	1200 - 4 1/2" 282 - 7"
596	11 MEXAS INDIAN#2 - 660 FSL, 1980 FNL, 30-20N-28E	1197 - 2 7/8" 268 - 7"
601	12 SF#1-11, 1650 FSL, 1650 FNL, 11-20N-28E	1055 - 4 1/2" 622 - 7"
	13 DRECK-SF#1 - 1980 FNL, 660 FSL - 25-20N-27E - THIS WELL IS PARTIALLY PLUGGED, BUT THERE IS NO PLUG IN TOP OF 7" SFC (285' W/75)	



OFFICE OF  
**Oil and Gas Conservation Commission**

STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

July 18, 1974

CERTIFIED MAIL

The Prentice-Hall Corp. System  
550 West Washington  
Phoenix, Arizona 85003

Re: The Prentice-Hall Corporation System, Statutory Agent for  
Eastern Petroleum Company, P. O. Box 291, Carmi, Illinois

Gentlemen:

This Commission has requested several times to be advised of your plans for further operations on your unplugged wells in the Navajo Springs area.

Mr. Edwards submitted some Sundry Notices and Reports on Wells, Form 25, indicating that you planned to plug some of the wells. Some others were to be transferred to Dan Schwetz. Still others, some of which have never produced commercially, apparently were to maintain their present status.

You are aware that several wells in this area have never indicated any ability to produce and others that are carried as shut-in helium wells have never produced commercially and no attempt to produce some of these wells was ever made.

At a meeting of the Commission on this date we were instructed to direct you to properly plug, by August 31, 1974, all wells in this area not now producing. Prior to plugging any well, the plugging program must be approved by the Commission and all operations relating to the plugging and abandonment will be witnessed by a member of the Commission staff.

Within this time frame, this Commission will consider any feasible plan that you might have to place whatever wells that are capable of producing back on production.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

cc - Mr. Henry Fullop



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

June 21, 1974

CERTIFIED MAIL

Mr. Henry Fullop  
Eastern Petroleum Company  
P. O. Box 291  
Carmi, Illinois 62821

Re: Navajo Springs Area

Dear Mr. Fullop:

This Commission has requested several times to be advised of your plans for further operations on your unplugged wells in the Navajo Springs area.

Mr. Edwards submitted some Sundry Notices and Reports on Wells, Form 25, indicating that you planned to plug some of the wells. Some others were to be transferred to Dan Schwetz. Still others, some of which have never produced commercially, apparently were to maintain their present status.

You are aware that several wells in this area have never indicated any ability to produce and others that are carried as shut-in helium wells have never produced commercially and no attempt to produce some of these wells was ever made.

At a meeting of the Commission on this date we were instructed to direct you to properly plug, by August 31, 1974, all wells in this area not now producing. Prior to plugging any well, the plugging program must be approved by the Commission and all operations relating to the plugging and abandonment will be witnessed by a member of the Commission staff.

Within this time frame, this Commission will consider any feasible plan that you might have to place whatever wells that are capable of producing back on production.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

cc - J. N. Edwards and U.S.F. & G.

592

May 23, 1974

Mr. Jess Edwards  
Eastern Petroleum Company  
P. O. Box 291  
Cammi, Illinois 62821

Re: Merde Indian #1  
Sec 30-20N-28E  
Apache County  
Permit No. 592

Dear Jess:

Would you be so kind as to furnish us with the perforations on the subject well.

Having beautiful weather here now and it is getting about lunch time so I wish you were here to take me out to lunch. Business is pretty slow here in Arizona and I wish you guys would drill us some more wells--we need the business.

Meanwhile take it easy.

Best regards,

Jim R. Scurlock

JRS/rlb



OFFICE OF  
**Oil and Gas Conservation Commission**

STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

April 12, 1974

CERTIFIED MAIL

Mr. Henry Fullop  
Eastern Petroleum Company  
P. O. Box 291  
Carmi, Illinois 62821

Re: Navajo Springs Area

Dear Mr. Fullop:

We have received Mr. Edward's letter dated March 12, 1974 together with Form 25, Sundry Notice and Reports, on 16 wells in the Navajo Springs area. We are aware that a number of your wells are in the Navajo Springs Coconino Unit. According to our records, several of the wells that are in the Unit have never produced except during testing and are being carried as shut-in helium wells. A number of wells outside the Unit have never produced, and your completion reports indicate the production on the potential test to be zero or TSM. Other wells have been taken off production for various reasons.

The possibility of some of these wells ever being produced commercially again appears negligible. As you know, Western Helium has not taken gas from your wells since December 31, 1973. This company is now in the process of dismantling and moving their plant out of the area. There is a possibility that Kerr-McGee might arrange to take gas from some of the wells in the Navajo Springs Unit as they are now doing from your Santa Fe No. 13 and Barfoot.

It is the opinion of this Commission that all non-commercial wells in the Navajo Springs area, whether in the Unit or not, should be permanently plugged and abandoned as quickly as possible. These wells would include, within the Navajo Springs Coconino Unit, the Crest Santa Fe No. 2, Santa Fe Nos. 31 and 32, and the Reese No. 2. No production has been reported from any of these wells. Also to be plugged should be your Ancon Santa Fe Nos. 21 and 21-1A, Connelly KM State No. 1, Merde No. 1 and all the non-producers that have been drilled within the past three years. Your Merde No. 2 must be plugged immediately. The hole in the casing at approximately 750' has never been repaired and the well is flowing water. Also your Dreck No. 1 has been reported plugged and abandoned, a copy of your plugging report is attached. It is possible that this well has been partially plugged, however there is definitely no plug in the top of the casing and fluid is several hundred feet from the surface. The dry hole marker was never installed. It is on

Mr. Henry Fullop  
April 12, 1974  
Page 2

location but the casing had a bucket inverted over the open end. The hole you drilled on the original location for the Chambers No. 1 for a "water well" is open with wire line and other junk around the open hole. Mr. Tom Pelton, the owner or holder of the surface rights of the land on which the two Chamber holes are located has expressed the desire to assume responsibility of both the holes for water wells. Mr. Pelton's address is P. O. Box 7, Sanders, Arizona 86512, phone: (602) 688-2930. Our Form No. 24, when executed by Mr. Pelton, will satisfy our requirements. Also Wayne Wallace has some interest in some of the holes on his place for use as water wells.

Recently we found a well some 700' + in a northerly direction of the Merde No. 2, a copy of a photograph is attached. We have no records of a well being drilled at this location. Any information that you could give us on this well would be appreciated. It is being used as a water well.

Either Mr. Bannister or myself will be happy to discuss the above mentioned situation with you. However, we are determined to have the existing conditions in the area brought into complete compliance with the rules and regulations of the Oil and Gas Conservation Commission in the very near future.

We would appreciate your thoughts on the above.

Very truly yours,



W. E. Allen, Director  
Enforcement Section

WEA/rlb

Encs.

cc John Fisher, Kerr-McGee, Oklahoma  
Richard J. Gasdaska, Western Helium, Pennsylvania  
C. F. Swain, Crest Oil, Illinois  
Jess Edwards, Eastern, Illinois  
U.S.F. &G., Indiana



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

March 26, 1974

Ms. Kay Waller  
Petro-Well Libraries Inc.  
150 Security Life Building  
1616 Glenarm Place  
Denver, Colorado 80202

Re: March Current File Material

Dear Kay:

Enclosed you will find the following current material for March:

- Data - Completion and miscellaneous reports on Eastern Merde  
Indian No. 1, Permit #592  
Completion and miscellaneous reports on Eastern Beacon  
Santa Fe 1, Permit #600  
Completion and miscellaneous reports on Humble State (32)  
No. 1, Permit #597  
Completion and miscellaneous reports on Kerr-McGee Navajo  
#17, Permit #618  
Drill Stem Test on American Fuels Navajo "M#1", Permit #609  
Drill Stem Test on American Fuels Navajo "B#1", Permit #608
- Logs - Compensated Formation Density Log and Induction Electrical  
Log on Kerr-McGee Navajo #17, Permit #618  
Induction-Electrical Log, Borehole Comp. Sonic Log--Gamma Ray  
(with caliper), Comp. Neutron-Formation Density Log, Dual  
Induction-Laterolog, Borehole Comp. Sonic Log-Gamma Ray,  
Comp. Formation Density Log, Comp. Neutron Log, Mud Log  
and Sample Log on Humble State (32) no. 1, Permit #597

Very truly yours,

Rhema Brandt

rlb

Encs.



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

March 15, 1974

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

Re: Santa Fe #24-File #536  
Chambers Santa Fe #1-File #567  
Sanders #2 Santa Fe Fee-File #568  
Szar State #1-File #578  
Merde Indian #1-File #592  
Merde Indian #2-File #596  
Santa Fe #1-11-File #601

Dear Mr. Edwards:

Thank you for the well information you have recently submitted to this office. We wish to remind you that it will be necessary for your company to file Form 9, Application to Plug and Abandon, at least 10 days prior to commencing plugging operations. Also, please notify this office of the date you plan to plug the above referenced wells. There will be a Commission representative witnessing the plugging.

Your cooperation is appreciated.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

Encs.

cc Henry Fullop



EASTERN PETROLEUM CO.  
EASTERN DRILLING, INC.

TELEPHONE 38-24104 • P O BOX 281 • CARMIL, ILLINOIS

March 12, 1974

Mr. W. E. Allen  
Oil & Gas Conservation Comm.  
4515 North 7th Avenue  
Phoenix, Arizona 85013

Re: Bond No. 27716-13-3983-65  
Arizona

Dear Mr. Allen:

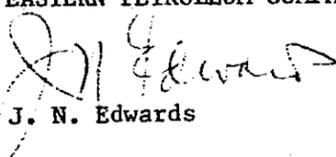
Pursuant to your recent letters to us and to U.S.F.&G. Company, I have enclosed Sundry Notices and Reports and other data concerning the wells in question.

You will note a number of these are in the producing Navajo Springs Unit; others are to be plugged and some will probably be transferred and assigned to another party for possible rework.

Trusting these reports adequately fulfill your requirements, I remain

Yours very truly,

EASTERN PETROLEUM COMPANY

  
J. N. Edwards

JNE:sjn

Encs.

cc: Mr. Harold E. Uhrig  
Foster & Messick, Mgrs.  
456 N. Meridian Street  
Indianapolis, Indiana 46209

McCallister, Becker & Hall  
Carmi, Illinois 62821

RECEIVED

MAR 13 1974

O & G CON. COMM.



UNITED STATES FIDELITY AND GUARANTY COMPANY  
INDIANAPOLIS OFFICE  
456 N. MERIDIAN ST., INDIANAPOLIS, IND. 46209

W.H.  
FOSTER & MESSICK  
MANAGERS

March 1, 1974

TELEPHONE:  
317/MELROSE 5-9431

Mr. W. E. Allen  
Director, Enforcement Section  
Oil and Gas Conservation Commission  
State of Arizona  
4515 North 7th Avenue  
Phoenix, Arizona 85013

RE: Bond No. 27716-13-3983-65 - Eastern Petroleum Company -  
State of Arizona

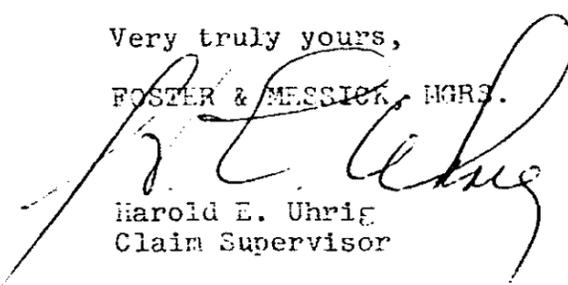
Dear Mr. Allen:

We are forwarding a copy of your letter of February 19, 1974 to this office to Mr. J. N. Edwards of the Eastern Petroleum Company, and we are requesting that he forward a copy of his response to your letter of February 1, 1974 which he indicated he would do in his letter of February 14, 1974.

We are sure that Mr. Edwards will do whatever he deems necessary insofar as the oil well violations are concerned.

Very truly yours,

FOSTER & MESSICK, MGRS.

  
Harold E. Uhrig  
Claim Supervisor

HEU:jg

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

cc: McCallister, Becker & Hall  
Carmi, Illinois

RECEIVED

201 073 COMM.

U. S. F. & G.

February 19, 1974

Bond Department  
U.S.F.&G.  
456 N. Meridian Street  
Indianapolis, Indiana 46204

Re: Eastern Petroleum Company - Blanket Oil Well Bond 27716-13-3983-65

Gentlemen:

On February 1, 1974 we sent you a copy of our letter to Eastern Petroleum requesting information on their shut-in wells covered by the above bond. A copy of Eastern's reply is attached for your information, (we inadvertently sent this information to your Phoenix office). A copy of all letters addressed to the Phoenix office are enclosed.

Unless Eastern takes immediate action to bring their operations into complete compliance with the Rules and Regulations of the Oil and Gas Conservation Commission and the laws of the State of Arizona, this Commission will have no alternative other than to request the surety to fulfill their obligations to this Commission.

Any assistance that you might give to this Commission to encourage Eastern Petroleum to discharge their obligations will be appreciated.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

Encs.



EASTERN PETROLEUM CO.  
EASTERN DRILLING, INC.

TELEPHONE 38-24104 • P. O. BOX 281 • CARMEL, ILLINOIS

February 14, 1974

Mr. W. E. Allen  
Oil & Gas Conservation Comm.  
4515 N. 7th Avenue  
Phoenix, Arizona 85013

Dear Mr. Allen:

Your letters of January 8 and February 1 addressed to Robert Fullop have been referred to me for answer.

I've just been through a month of tax work, am worn out and am leaving tomorrow for a short vacation, a week to ten days. After I return I will answer in detail as well as I can.

At least five of the wells are in the Navajo Springs and East Navajo Springs Units and they are shut-in. The balance will probably be plugged.

Yours very truly,

EASTERN PETROLEUM COMPANY

*J. N. Edwards*  
J. N. Edwards

JNE:sjn

RECEIVED

FEB - 14 1974

O & G CONSV. COMM.

February 1, 1974

Bond Department  
U.S.F. & G.  
3605 N. 7th Avenue  
Phoenix, Arizona 85013

Re: ~~Eastern Petroleum Company~~ Bond No. 27716-13-3983-65, \$25,000

Gentlemen:

We are attaching for your information a copy of a letter to Eastern Petroleum Company. Since you are the surety for this bond, we take this measure to advise you that it may be necessary for this Commission to order all the wells properly plugged and abandoned.

If you need any further information, please advise.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/r1b

February 1, 1974

Mr. Robert Fullop  
Eastern Petroleum Company  
P. O. Box 291  
Carmi, Illinois 62821

~~Re: All Wells Covered Under U.S.F.&G. Bond No. 27716-13-3983-65, \$25,000~~

Dear Mr. Fullop:

This office has just learned that as of January 1, 1974, Western Helium Corporation is no longer taking field gas from any of your wells in the Navajo Springs area. A recent check of wells that have been producing reveals all of the wells operated by you were shut-in except your Santa Fe Fee #13. The gas from this well is taken by Kerr-McGee.

Since all wells operated by you except the above mentioned Santa Fe Fee #13 are shut-in, it is necessary that you inform this Commission immediately of your plans for the future concerning all the non-plugged wells in this area. According to our records and information submitted to this Commission by your company, many of these non-plugged wells have never produced and several that have been completed in the past couple of years are presently not capable of producing. Unless you have plans to reactivate the wells in this area, this Commission will of necessity order all wells plugged and abandoned.

Again we urge you to advise this office of your plans for this area immediately.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

cc - U.S.F.&G.



OFFICE OF

**Oil and Gas Conservation Commission**

STATE OF ARIZONA

4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

January 8, 1974

Mr. Robert Fullop  
Eastern Petroleum Company  
P. O. Box 226  
Farmington, New Mexico 87401

Re: Crest Oil Santa Fe No. 2  
NE/SW Sec 33-20N-27E  
Permit #110

Santa Fe Fee No. 24  
SE/NW Sec 24-20N-27E  
Permit #536

Ancon 21-1A  
Sec 31-20N-28E  
Permit #537

Santa Fe Fee Kiva No. 1  
NE/SW Sec 13-20N-28E  
Permit #560

Santa Fe Fee 6x-1  
SE/NW Sec 25-20N-28E  
Permit #565

Chambers Santa Fe No. 1  
NE/SW Sec 21-21N-28E  
Permit #567

Sanders No. 2 Santa Fe Fee  
NE/SW Sec 15-21N-28E  
Permit #568

Szar State No. 1  
NE/NW Sec 36-20N-27E  
Permit #573

Merde Indian #1  
Sec 30-20N-28E  
Permit #592

Merde No. 2  
SW/SE Sec 30-20N-28E  
Permit #596

Santa Fe Kiva #2  
NE/SW Sec 24-20N-28E  
Permit #599

Beacon No. 1  
Sec 29-20N-29E  
Permit #600

Santa Fe Fee No. 1-11  
NW/SE Sec 11-20N-28E  
Permit #601

Crest Oil Company #7 Santa Fe  
SW/NE Sec 6-19N-27E  
Permit #204  
Santa Fe Fee #31  
C N/2 SE/4 Sec 29-20N-27E  
Permit #255

Santa Fe Fee #32  
SW/NE/SW Sec 28-20N-27E  
Permit #258

Dear Mr. Fullop:

As we have previously advised, semi-annual status reports are required on the above referenced wells. This report was due in this office

Page 2  
Mr. Robert Fullop  
January 8, 1974

January 1, 1974. Please forward these reports as quickly as possible, and indicate any work that you anticipate performing on these wells within the next six months.

Please submit Completion Reports for your Indian Allotted Merde No. 1 and Santa Fe Beacon No. 1.

Very truly yours,



W. E. Allen, Director  
Enforcement Section

WEA/rlb

Encs.



OFFICE OF

**Oil and Gas Conservation Commission**

STATE OF ARIZONA

4515 NORTH 7TH AVE.

PHOENIX, ARIZONA 85013

PHONE: (602) 271-5161

September 18, 1973

Mr. Robert Fullop  
Eastern Petroleum Company  
P. O. Box 226  
Farmington, New Mexico 87401

Dear Mr. Fullop:

Will you please supply this Commission with any information that you might have regarding the recoverable reserves in the Navajo Springs Field?

This information will be considered confidential if you so desire.

Thank you for your cooperation.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

#592

September 21, 1973

Mr. Ted Strickland  
Rocky Mountain Well Log Service  
1753 Champa Street  
Denver, Colorado 80202

Dear Mr. Strickland:

In response to your request of September 18, 1973 we are enclosing the following logs. Under separate cover you will receive the Humble #1 State (74) logs.

✓ Eastern #1 Merde Indian  
30-20N-28E, Permit #592  
Compensated Density Log  
Induction-Electric Log  
(Acoustic Cement Bond  
Micro-Seismogram)

Eastern #2 Merde Indian  
30-20N-28E, Permit #596  
Compensated Density Log  
Induction-Electric Log

Eastern #1 Santa Fe-Fe  
29-19N-29E, Permit #586  
(no logs available)

Eastern North Kiva-Santa Fe  
11-20N-28E, Permit #601  
Compensated Density Log  
Induction-Electric Log

Exxon Oil Company  
#1 Yuma-Federal  
8-11S-24W, Permit #604  
Confidential Status until 2-24-74

Humble Oil & Refining #1 State (14)  
25-3S-11W, Permit #588  
Logs presently out of office,  
will send as soon as received.

Humble Oil & Refining #1 State (32)  
5-16S-15E, Permit #597  
Confidential Status until 12-19-73

If we can be of further assistance, please let us know.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

Rhema Brandt,  
Sec. to W. E. Allen

/rib

## Rocky Mountain Well Log Service Co.

1753 Champa Street

DENVER, COLORADO

266-0588 Area Code 303

80202

BOB ANDREWS, Division Manager



September 18, 1973

CASPER, WYOMING  
BOB FITZGERALD  
PETR. BLDG. ARCADE  
PHONE 234-6921

State of Arizona, Oil & Gas Conservation Commission  
Attn: W. E. Allen  
4515 North 7th Ave.  
Phoenix, Arizona 85013

MIDLAND, TEXAS  
DAVID CLARK  
105 WEST WALL  
PHONE 482-0591

Dear Mr. Allen

Thank you for loaning us the enclosed prints.

May we borrow the following logs from your files?:

Easter Petroleum Co.  
#1 Merde Indian  
30-20N-28E

Exxon Oil Co.  
#1 Yuma-Federal  
8-11S-24W

Eastern Petroleum Co.  
#2 Merde Indian  
30-20N-28E

Humble Oil & Refg.  
#1 State (14)  
25-3S-11W

Eastern Petroleum  
#1 Santa Fe-Fee  
29-19N-29E

Humble Oil & Refg.  
#1 State (32)  
5-16S-15E

Eastern Petroleum  
North Kiva-Santa Fe  
11-20N-28E

Humble Oil & Refg.  
#1 State (74)  
2-8S-8E

Thank you once again for your assistance.

Very truly yours,

Rocky Mountain Well Log Service Co.

*Ted Strickland*  
Ted Strickland

TLS:ck

Encl.

RECEIVED

SEP 20 1973



OFFICE OF  
**Oil and Gas Conservation Commission**

STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

June 13, 1973

Mr. Robert Fullop  
Eastern Petroleum Company  
P. O. Box 226  
Farmington, New Mexico 87401

Re: Crest Oil Santa Fe No. 2  
NE/SW Sec 33-T20N-R27E  
Permit No. 110

Santa Fe Fee No. 24  
SE/NW Sec 24-T20N-R27E  
Permit No. 536

Ancon 21-A  
Sec 31-T20N-R28E  
Permit No. 537

Santa Fe Fee Kiva No. 1  
NE/SW Sec 13-T20N-R28E  
Permit No. 560

Santa Fe Fee 6X-1  
SE/NW Sec 25-T20N-R28E  
Permit No. 565

Chambers Santa Fe No. 1  
NE/SW Sec 21-T21N-R28E  
Permit No. 567

Sanders No. 2 Santa Fe Fee  
NE/SW Sec 15-T21N-R28E  
Permit No. 568

Szar State No. 1  
NE/NW Sec 36-T20N-R27E  
Permit No. 578

Merde Indian #1  
Sec 30-T20N-R28E  
Permit No. 592

Merde No. 2  
SW/SE Sec 30-T20N-R28E  
Permit No. 596

Santa Fe Kiva #2  
NE/SW Sec 24-T20N-R28E  
Permit No. 599

Beacon No. 1  
Sec 29-T20N-R29E  
Permit No. 600

Santa Fe Fee No. 1-11  
NW/SE Sec 11-T20N-R28E  
Permit No. 601

Dear Mr. Fullop:

No action of any kind has been reported on the above referenced wells for quite some time. We have completion reports for some of these wells, but no production has been indicated. Others are carried in a temporarily abandoned status.

Page 2  
Robert Fullop  
June 13, 1973

Please refer to our letter of October 26, 1972 by which you were advised that the Commission would require a semi-annual report listing the present status of subject wells and also any plans that you might have to complete, re-complete, workover, or plug said wells. Also note that the previously mentioned letter indicated the first semi-annual report would be due June 1, 1973. Please submit this report on form 25, Sundry Notices and Reports on Wells, immediately.

Very truly yours,



W. E. Allen, Director  
Enforcement Section

WEA/rlb

Encs.



EASTERN PETROLEUM CO.

P. O. BOX 291 • CARM, ILLINOIS 62821  
POST OFFICE BOX 226  
FARMINGTON, NEW MEXICO 87401

January 25, 1973

Oil and Gas Conservation Commission  
State of Arizona  
4515 North 7th Avenue  
Phoenix, Arizona 85013

Re: Beacon No. 1  
Sec 29-T20N-R29E  
Apache County  
Permit No. 600

Ancon 21-A  
Sec 31-T20N-R28E  
Apache County  
Permit No. 537

Merde Indian #1  
Sec 30-T20N-R28E  
Apache County  
Permit No. 592

Merde Indian #2  
Sec 30-T20N-R28E  
Apache County  
Permit No. 596

Dear Bill:

In response to your letter November 15, 1972 the completion work on the above referred to well has been post poned until such time as Eastern reactivates their operation in the Navajo area. We anticipate to begin operation work around April 1, 1973.

Sincerely,

Robert A. Fullop

CSC

RECEIVED

JAN 27 1973

O & G CONS. COMM.



OFFICE OF  
**Oil and Gas Conservation Commission**

STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

January 22, 1973

Mr. Robert Fullop  
Eastern Petroleum Company  
P. O. Box 226  
Farmington, New Mexico 87401

Re: Beacon No. 1  
Sec 29-T20N-R29E  
Apache County  
Permit No. 600

Ancon 21-A  
Sec 31-T20N-R28E  
Apache County  
Permit No. 537

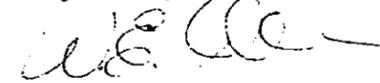
Merde Indian #1  
Sec 30-T20N-R28E  
Apache County  
Permit No. 592

Merde Indian #2  
Sec 30-T20N-R28E  
Apache County  
Permit No. 596

Dear Mr. Fullop:

Your letter of November 15, 1972, advising this office of cessation of drilling activities in the Navajo-Arizona area indicated that completion operations would be continued on the above referenced wells. If these wells have been completed, please submit the necessary Completion or Recompletion Reports and if they have not been completed, advise this Commission of their present status.

Very truly yours,

  
W. E. Allen, Director  
Enforcement Section

WEA/r1b



EASTERN PETROLEUM CO.

P. O. BOX 291 • CARM, ILLINOIS 62821  
POST OFFICE BOX 226  
FARMINGTON, NEW MEXICO 87401

November 15, 1972

Mr. Bill Allen  
Enforcement Department  
Oil & Gas Conservation Commission - Arizona  
4515 North 7th Ave.  
Phoenix, Arizona 85013

Re: Eastern Petroleum Company's drilling operations in the  
Navajo, Arizona area.

Dear Mr. Allen:

In regard to the above referred to area, Eastern Petroleum  
Company is halting any further operations in said area until  
after the first of the year. Therefore, the only drilling or  
completion operations that will be done, will be on the following  
wells:

1. Beacon #1  
1980 FSL, 1980 FEL  
Sec. 29, T20N, R29E  
6167 GL  
Apache, Arizona
2. Ancon 21-A  
660 FNL, 660 FWL  
Sec. 31, T20N, R28E  
Apache County, Arizona

3. Merde Indian #1  
650 FSL, 660 FWL  
Sec. 30, T20N, R28E  
5859 GL  
Apache County, Arizona

592

4. Merde Indian #2  
2080 FEL, 660 FSL  
Sec. 30, T20N, R28E  
5839 GL  
Apache County, Arizona

RECEIVED

NOV 17 1972

O & G CONS. COMM.

Sincerely,

Robert A. Fullop  
Vice President

November 3, 1973

Mr. Robert Fullop  
Eastern Petroleum Company  
Box 226  
Farmington, New Mexico 87401

Re: Indian Allotted-Merde No. 1  
SW/SW Section 30-T20N-R28E  
Apache County  
Permit No. 592

Dear Mr. Fullop:

It has been noticed on your Production Report for the month of September that you indicated production from the above referenced well. Please be advised that prior to selling the production from a well, a Certificate of Compliance, Form 8, must be submitted to this Commission for approval. Please complete this form and return to this Commission immediately. If this is not done, we will be forced to order the Merde No. 1 well shut-in.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/r1b

Enc.

October 24, 1972

Mr. Robert Fullop  
Eastern Petroleum Company  
P. O. Box 226  
Farmington, New Mexico 87401

Re: Indian Allotted-Merde No. 1  
SW/SW Section 30-T20N-R28E  
Apache County  
Permit No. 592

Dear Mr. Fullop:

We have your request to deepen the above referenced well to the Coconino Formation. As you know, the Permit to Drill was issued for a Shinarump Test on 160 acre spacing. Since the deepening of the well to the Coconino Formation would constitute unorthodox spacing, a public hearing requesting an exception to Rule 105 would be required prior to producing this well.

You may request a hearing prior to deepening the well, or you may prefer exploring the Coconino Formation and if productive, request the hearing before the well is produced.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

August 11, 1972

Mrs. Jo Ratcliff  
Four Corners Sample Cut Association  
P. O. Box 899  
Farmington, New Mexico 87401

Dear Mrs. Ratcliff:

The following permit was issued since August 3, 1972.

Eastern Petroleum Company  
Indian Allotted-Merde No. 1  
SW/SW Section 30-T20N-R28E  
Apache County  
Permit No. 582

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

August 11, 1972

Mr. Frank Getscher  
P. O. Box 98  
Scottsdale, Arizona 85252

Dear Mr. Getscher:

The following permit was issued on August 11, 1972.

Eastern Petroleum Company Indian Allotted-Merde No. 1  
SW/SW Section 30-T20N-R28E  
Apache County  
Permit No. 592

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

August 11, 1972

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

Re: Eastern Indian Allotted-Merde No. 1  
SW/SW Section 30-T20N-R28E  
Apache County  
Permit No. 592

Dear Mr. Edwards:

Enclosed please find Receipt No. 2927 covering the \$25 filing fee, a copy of your approved Application for Permit to Drill and Permit to Drill No. 592.

Also enclosed are miscellaneous instruction sheets concerning samples and other Commission requirements.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

WEA/rlb

Encs.