

AMERICAN FUELS NAVAJO "B-#2"
SW/SW Sec 10-T40N-R29E, Apache Co. 621

4-10-74

Two permits have been issued since the last report. One was for Nix Drilling Company for a 2000' geothermal test located in the NW/SW Section 16-T5S-R24E, Graham County. This location is about one mile southeast of the old hotel at Indian Hot Springs. The second permit was issued to American Fuels Corporation for a 6800' devonian test in the SW/SW Section 10-T40N-R29E, Apache County. This well offsets the operators "B" No. 1 well which is a small producer from the Pennsylvanian.

5-8-74

American Fuels have not spudded their well to be drilled in the SW/SW Section 10-T40N-R29E, Apache County. The issuance of this permit was reported last month. It is our understanding that this company is experiencing financial problems.

7-74

Permit No. 621 issued to American Fuels for the drilling of a Pennsylvanian test at the SW/SW Section 10-T40N-R29E, Apache County has expired. They were notified of the expiration date, however did not request an extention.

Permit 621

APACHE COUNTY, ARIZONA

Navajo B-#2 April 21, 1974 (Est TD 6800')

WOR. *WA*

RECEIVED

APR 23/74

O & G COM. COMM.

W
APACHE COUNTY, ARIZONA

Navajo B-#2 April 2, 1974 (Est TD 6800')

WOR.

RECEIVED

APR 2 1974

O & G CONS. COMM.

APACHE COUNTY, ARIZONA

Navajo B-#2 April 3, 1974 (Est TD 6800')

WOR.

RECEIVED

APR 3 1974

O & G CONS. COMM.

APACHE COUNTY, ARIZONA

Navajo B-#2 April 4, 1974 (Est TD 6800')

WOR.

RECEIVED

APR 4 1974

O & G CONS. COMM.

APACHE COUNTY, ARIZONA

Navajo B-#2 April 7, 1974 (Est TD 6800')

WOR.

RECEIVED

APR 7 1974

O & G CONS. COMM.

W
APACHE COUNTY, ARIZONA

Navajo B-#2 April 9, 1974 (Est TD 6800')

Dug cellar. Drilled 6' rat hole. Rig broke down. WOR.

RECEIVED

APR 9 1974

O & G CONS. COMM.

W
APACHE COUNTY, ARIZONA

Navajo B-#2 April 8, 1974 (Est TD 6800')

RECEIVED

APR 8 1974

O & G CONS. COMM.

W.A.
APACHE COUNTY, ARIZONA

Navajo B-#2 March 25, 1974 (Est TD 6800')

Making location.

RECEIVED

MAR 29 1974

O & G CONS. COMM.

APACHE COUNTY, ARIZONA

Navajo B-#2 March 26, 1974 (Est TD 6800')

Making location.

RECEIVED

APR 1 1974

O & G CONS. COMM.

APACHE COUNTY, ARIZONA

Navajo B-#2 March 27, 1974 (Est TD 6800')

Making location.

RECEIVED

APR 1 1974

O & G CONS. COMM.

APACHE COUNTY, ARIZONA

Navajo B-#2 March 28, 1974 (Est TD 6800')

Completing location, waiting on rig.

RECEIVED

APR 2 1974

O & G CONS. COMM.

APACHE COUNTY, ARIZONA

Navajo B-#2 March 31, 1974 (Est TD 6800')

WOR.

RECEIVED

APR 1 1974

O & G CONS. COMM.

W.A.
APACHE COUNTY, ARIZONA

Navajo B-#2 April 1, 1974 (Est TD 6800')

WOR.

RECEIVED

APR 1 1974

O & G CONS. COMM.

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

American Fuels Corporation
NAME OF COMPANY OR OPERATOR

2921 Carlisle NE Albuquerque, New Mexico 87110
Address City State

Loffland Brothers Company
Drilling Contractor

Box 688 - Farmington, New Mexico 87401
Address

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor	Well number	Elevation (ground)
Navajo NOO-C-14-20-2249	Navajo "B-#2"	5800

Nearest distance from proposed location to property or lease line: 590' FSL - 710' FWL feet	Distance from proposed location to nearest drilling, completed or applied--for well on the same lease: 2640 feet
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Number of acres in lease: 2560 acres	Number of wells on lease, including this well, completed in or drilling to this reservoir: 2
---	---

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

Well location (give footage from section lines) 590' FSL - 710' FWL	Section--township--range or block and survey Sec 10, T40N, R29E	Dedication (Comply with Rule 105) 80 acres
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Field and reservoir (if wildcat, so state) Wildcat	County Apache
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Distance, in miles, and direction from nearest town or post office:
5 1/2 miles SW of Teec Nos Pos, Arizona

Proposed depth: 6800'	Rotary or cable tools Rotary	Approx. date work will start upon approval
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Bond Status: Blanket Amount: \$15,000	Organization Report On file <input checked="" type="checkbox"/> Or attached	Filing Fee of \$25.00 Attached <input checked="" type="checkbox"/>
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Remarks: 25,000

Blowout preventors will be tested daily. Objective will be to drill, test and log the Devonian formation. All shows of Hydrocarbons will be tested.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Secretary of the American Fuels Corporation (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 the facts stated therein are true, correct and complete to the best of my knowledge.

RECEIVED
MAR 15 1974
O & G CON. COMM.

[Signature]
Signature
3-15-74
Date

Permit Number: 621
Approval Date: 3-26-74
Approved By: *[Signature]*

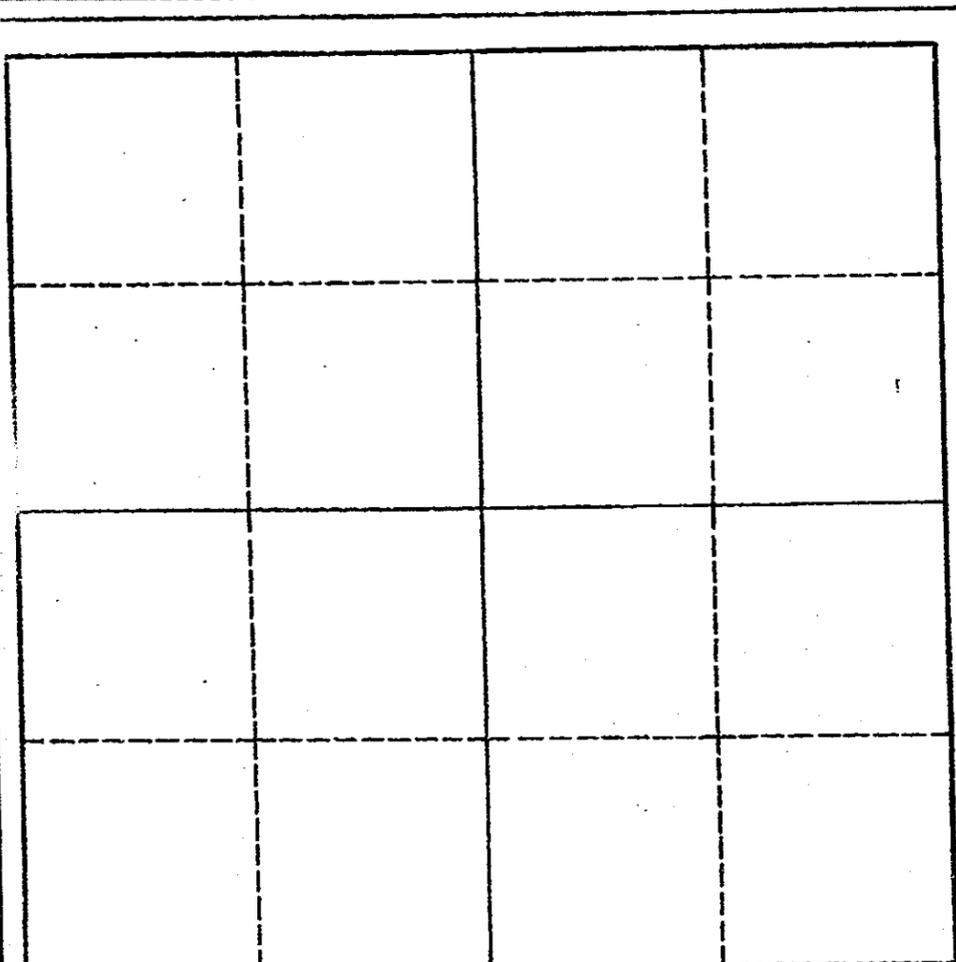
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Application to Drill or Re-enter
File Two Copies

Form No. 3

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

- Operator shall outline the dedicated acreage for both oil and gas wells on the plat.
- 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.
- All distances shown on the plat must be from the outer boundaries of the Section.
- Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES _____ NO X
- If the answer to question four is "no," have the interests of all the owners been consolidated by communization agreement or otherwise? YES X NO _____ If answer is "yes," Type of Consolidation unitization
- If the answer to question four is "no," list all the owners and their respective interests below:

Owner Amerada Hess	Land Description Secs. 3, 4, 9, 10
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CERTIFICATION

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

[Signature]
Name
C. R. Robinson

Position
Secretary

Company
American Fuels Corp.

Date

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.

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement
8 5/8"	24#	ST&C	circ	350'	circ	225 sxs
7 7/8" 5 1/2"	15.5#	ST&C		6500'	up to 350'	350 sxs+ 100sxs

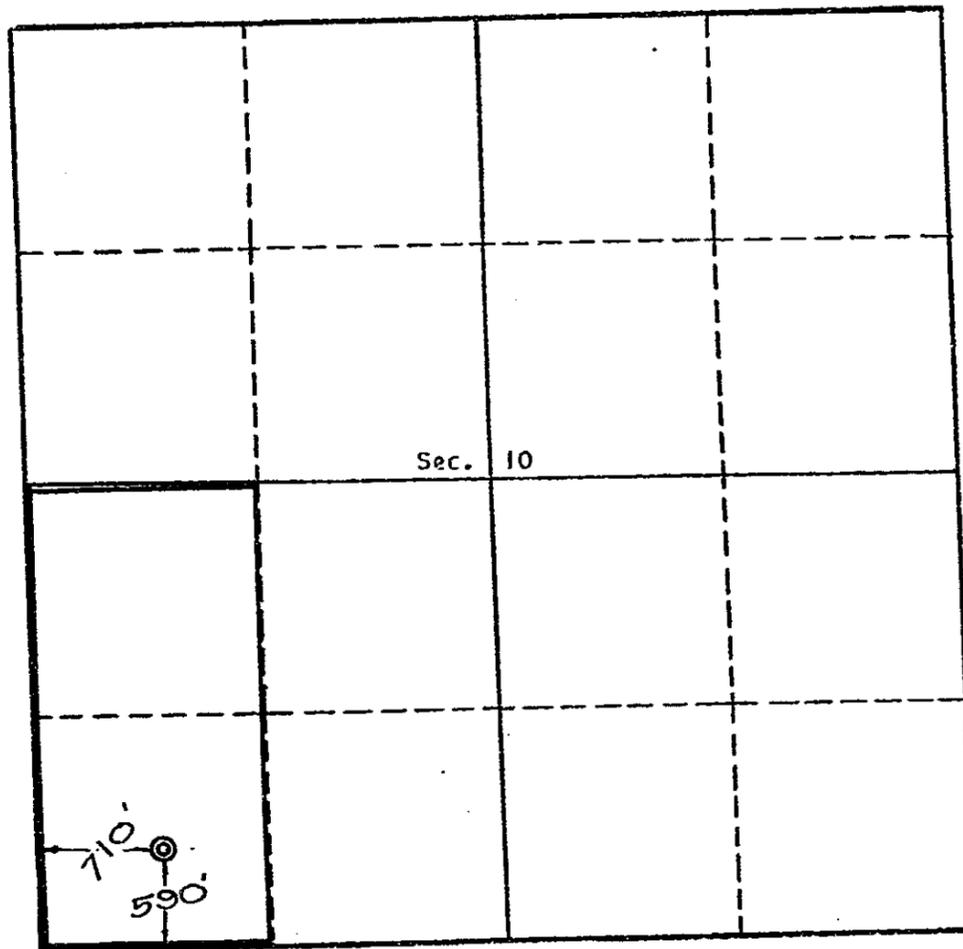
Company AMERICAN FUELS CORPORATION

Well Name & No. _____

Location 590 feet from the South line and 710 feet from the West line.

Sec. 10, T. 40 N., R. 29 E., G. & S. R. M., County Apache, Arizona

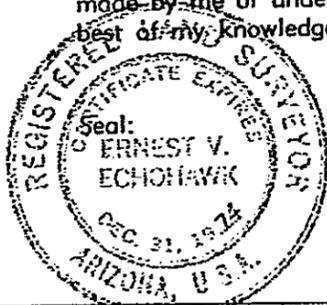
Ground Elevation 5800



Scale, 1 inch = 1,000 feet

Surveyed March 14, 19 74

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.



RECEIVED Ernest V. Echohawk
Registered Land Surveyor
Arizona Registration No. 2311

O & G CONS. COMM.



PERMIT TO DRILL

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

To: AMERICAN FUELS CORPORATION
(OPERATOR)

to drill a well to be known as

AMERICAN FUELS NAVAJO "B-#2"
(WELL NAME)

located 590' FSL - 710' FWL

Section 10 Township 40N Range 29E, Apache County, Arizona.

The 80 acres 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 26th day of March, 19 74

OIL AND GAS CONSERVATION COMMISSION

By W.B. Cole
EXECUTIVE SECRETARY

PERMIT N^o 621

RECEIPT NO. 61

API NO. 02-001-20101

State of Arizona
Oil & Gas Conservation Commission
Permit to Drill

FORM NO. 27

SAMPLES ARE REQUIRED



OFFICE OF

Oil and Gas Conservation Commission

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

April 1, 1974

Mr. C. R. Robinson
American Fuels Corporation
2917 Carlisle Blvd., N.E.
Albuquerque, New Mexico 87110

Re: Cities Service Monsanto 1-A Navajo Cities Service Monsanto C-1 Navajo
 Sec 21-T40N-R29E Sec 16-T40N-R29E
 Apache County, Permit #559 Apache County, Permit #581

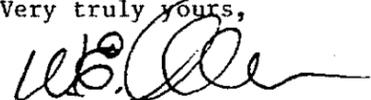
Dear Mr. Robinson:

The above referenced wells at your request are being placed under your \$25,000 cash blanket bond.

To avoid confusion regarding the wells now covered by your \$25,000 bond, we are listing the following wells that this Commission shows to be under this bond. If the following inventory of wells agrees with your list, please sign and return one copy to this Commission.

Cities Service Monsanto 1-A Navajo Sec 21-T40N-R29E, Apache Co., #559	Cities Service Monsanto C-1 Navajo Sec 16-T40N-R29E, Apache Co., #581
American Fuels Navajo B-1 Sec 9-T40N-R29E, Apache Co., #608	American Fuels Navajo M-1 Sec 16-T41N-R30E, Apache Co., #609
American Fuels Navajo C-1 Sec 6-T40N-R29E, Apache Co., #610	American Fuels Navajo O-1 Sec 3-T36N-R28E, Apache Co., #612 <i>PH</i>
American Fuels Navajo E-1 Sec 31-T41N-R28E, Apache Co., #613	American Fuels Navajo AC-1 Sec 17-T40N-R29E, Apache Co., #615
American Fuels Navajo B-2 Sec 10-T40N-R29E, Apache, #621	

Very truly yours,


W. E. Allen, Director
Enforcement Section

WEA/rlb

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

American Fuels Corporation
NAME OF COMPANY OR OPERATOR

2921 Carlisle NE Albuquerque, New Mexico 87110
Address City State

Loffland Brothers Company
Drilling Contractor

Box 688 - Farmington, New Mexico 87401
Address

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor Navajo NOO-C-14-20-2249	Well number Navajo "B-#2"	Elevation (ground) 5800
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Nearest distance from proposed location to property or lease line: 590' FSL - 710' FWL feet	Distance from proposed location to nearest drilling, completed or applied—for well on the same lease: 2640 feet
---	---

Number of acres in lease: 2560 acres	Number of wells on lease, including this well, completed in or drilling to this reservoir: 2
--	--

If lease, purchased with one or more wells drilled, from whom purchased: NA	Name	Address
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Well location (give footage from section lines) 590' FSL - 710' FWL	Section—township—range or block and survey Sec 10, T40N, R29E	Dedication (Comply with Rule 105) 80 acres
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Field and reservoir (if wildcat, so state) Wildcat	County Apache
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Distance, in miles, and direction from nearest town or post office:
5 1/2 miles SW of Teec Nos Pos, Arizona

Proposed depth: 6800'	Rotary or cable tools Rotary	Approx. date work will start upon approval
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Bond Status Blanket	Organization Report On file <input checked="" type="checkbox"/> Or attached	Filing Fee of \$25.00 Attached <input checked="" type="checkbox"/>
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Amount: **\$15,000**
Remarks: **25,000**

Blowout preventors will be tested daily. Objective will be to drill, test and log the Devonian formation. All shows of Hydrocarbons will be tested.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Secretary of the

American Fuels Corporation (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

MAR 20 1974

O & G CONS. COMM.

Signature

Date

3-15-74

Permit Number: **621**
Approval Date: **3-26-74**
Approved By: *W.B. [Signature]*

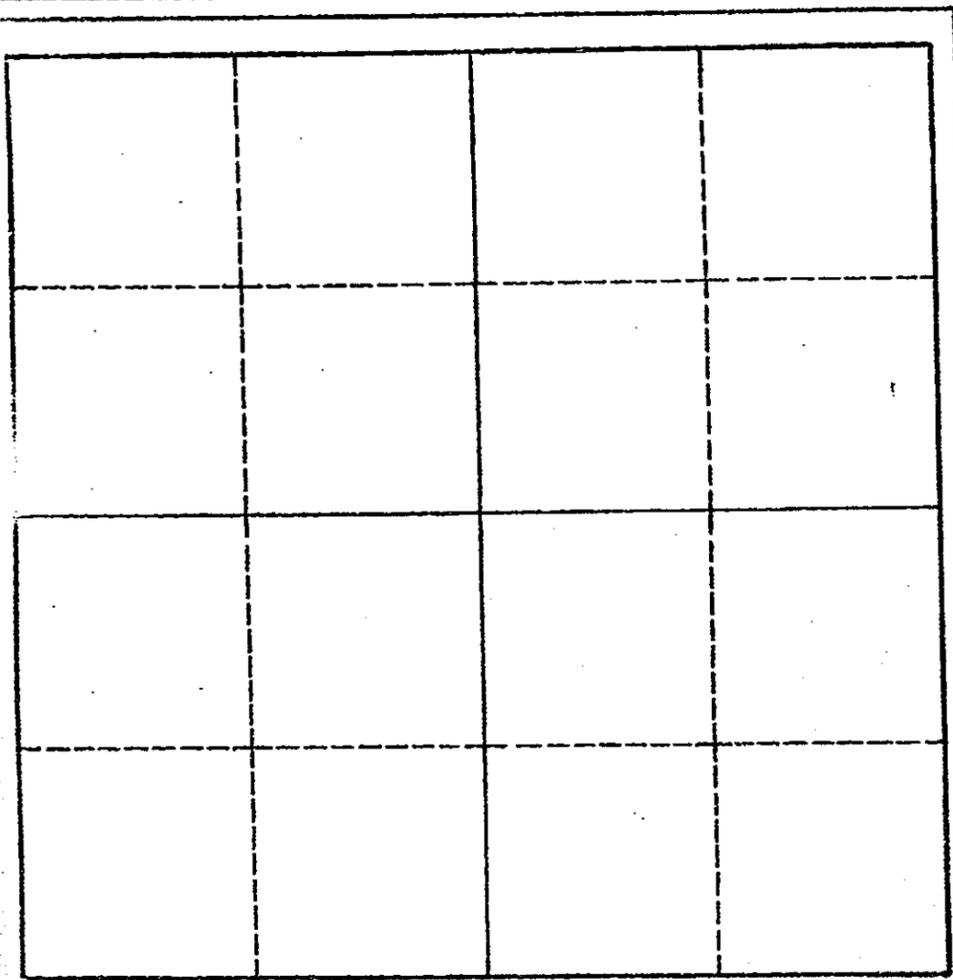
Notice: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

Form No. 3

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Application to Drill or Re-enter
File Two Copies

- Operator shall outline the dedicated acreage for both oil and gas wells on the plat.
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- If the answer to question four is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES X NO _____ If answer is "yes," Type of Consolidation unitization
- If the answer to question four is "no," list all the owners and their respective interests below:

Owner <u>Amerada Hess</u>	Land Description <u>Secs. 3, 4, 9, 10</u>
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CERTIFICATION

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

[Signature]
 Name
C. R. Robinson
 Position
Secretary
 Company
American Fuels Corp.
 Date

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

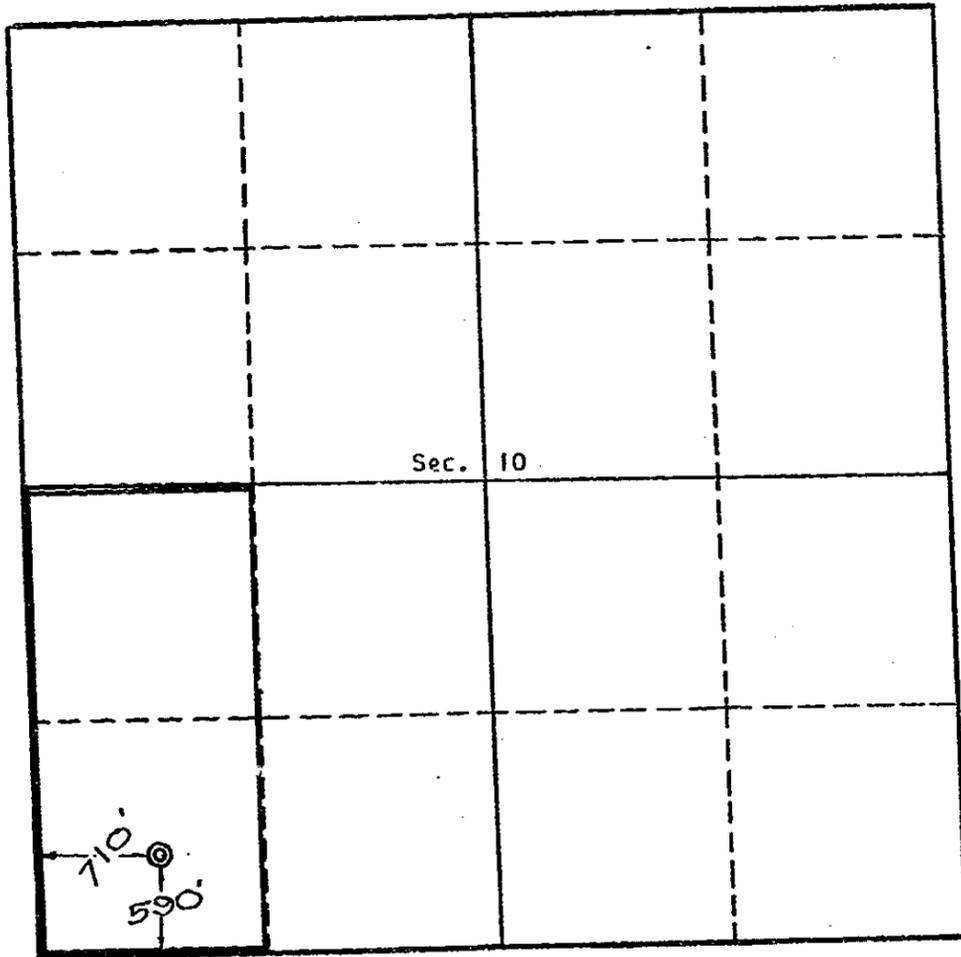
Certificate No.

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
8 5/8"	24#	ST&C	circ	350'	circ	225 sxs
7 7/8" 5 1/2"	15.5#	ST&C		6500'	up to 350'	350 sxs+ 100sxs

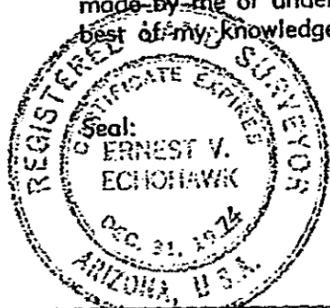
Company AMERICAN FUELS CORPORATION
Well Name & No. _____
Location 590 feet from the South line and 710 feet from the West line.
Sec. 10, T. 40 N., R. 29 E., G. & S. R. M., County Apache, Arizona
Ground Elevation 5800



Scale, 1 inch = 1,000 feet

Surveyed March 14, 19 74

This is to certify that the above plot was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.



RECEIVED E. V. Echohawk
Ernest V. Echohawk
Registered Land Surveyor
Arizona Registration No. 2311
O & G CONS. COMM.



PERMIT TO DRILL

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

To: AMERICAN FUELS CORPORATION
(OPERATOR)

to drill a well to be known as

AMERICAN FUELS NAVAJO "B-#2"
(WELL NAME)

located 590' FSL - 710' FWL

Section 10 Township 40N Range 29E, Apache County, Arizona.

The 80 acres 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 26th day of March, 1974

OIL AND GAS CONSERVATION COMMISSION

By W.B. Allen
EXECUTIVE SECRETARY

PERMIT N^o 621

RECEIPT NO. 61

API NO. 02-001-20191

State of Arizona
Oil & Gas Conservation Commission
Permit to Drill

FORM NO. 27

SAMPLES ARE REQUIRED



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

April 1, 1974

Mr. C. R. Robinson
American Fuels Corporation
2917 Carlisle Blvd., N.E.
Albuquerque, New Mexico 87110

Re: Cities Service Monsanto 1-A Navajo Cities Service Monsanto C-1 Navajo
Sec 21-T40N-R29E Sec 16-T40N-R29E
Apache County, Permit #559 Apache County, Permit #581

Dear Mr. Robinson:

The above referenced wells at your request are being placed under your \$25,000 cash blanket bond.

To avoid confusion regarding the wells now covered by your \$25,000 bond, we are listing the following wells that this Commission shows to be under this bond. If the following inventory of wells agrees with your list, please sign and return one copy to this Commission.

Cities Service Monsanto 1-A Navajo
Sec 21-T40N-R29E, Apache Co., #559

American Fuels Navajo B-1
Sec 9-T40N-R29E, Apache Co., #608

American Fuels Navajo C-1
Sec 6-T40N-R29E, Apache Co., #610

American Fuels Navajo E-1
Sec 31-T41N-R28E, Apache Co., #613

American Fuels Navajo B-2
Sec 10-T40N-R29E, Apache, #621

Cities Service Monsanto C-1 Navajo
Sec 16-T40N-R29E, Apache Co., #581

American Fuels Navajo M-1
Sec 16-T41N-R30E, Apache Co., #609

American Fuels Navajo O-1
Sec 3-T36N-R28E, Apache Co., #612

American Fuels Navajo AC-1
Sec 17-T40N-R29E, Apache Co., #615

Very truly yours,


W. E. Allen, Director
Enforcement Section

WEA/rlb

June 27, 1974

Mr. C. R. Robinson
American Fuels Corporation
2917 Carlisle Blvd., N.E.
Albuquerque, New Mexico 87110

Re: Navajo B-2
Sec 10-T40N-R29E
Apache County
Permit No. 621

Dear Mr. Robinson:

This will serve as formal notification that Permit No. 621 authorizing the drilling of the above referenced well expired June 26, 1974.

Should your company decide in the future to drill this well, it will be necessary to refile and a new permit will be issued.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/rlb

May 29, 1974

Mr. C. R. Robinson
American Fuels Corporation
2917 Carlisle Blvd., N.E.
Albuquerque, New Mexico 87110

Re: Navajo #B-2
Sec 10-T40N-R29E
Apache County
Permit #621

Dear Mr. Robinson:

This letter is to remind you that your Permit No. 621 covering the above referenced well will expire June 26, 1974. Should you wish to extend this permit, please advise this office prior to the expiration date.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/rlb

March 26, 1974

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

Dear Mr. Getscher:

The following permit was issued this date:

American Fuels Navajo B-#2
SW/SW Sec 10-T40N-R29E
Apache County
Permit No. 621

The proposed depth is 6800' and the elevation is 5800'.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/r1b

March 26, 1974

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

Re: American Fuels Navajo B-#2
SW/SW Sec 10-T40N-R29E
Apache County
Permit No. 621

Dear Mrs. Ratcliff:

The above referenced permit was issued this date.

Very truly yours,

W. E. Allen, Director
Enforcement Section

/rlb

March 26, 1974

Mr. C. R. Robinson
American Fuels Corporation
2917 Carlisle Blvd., N.E.
Albuquerque, New Mexico 87110

Re: American Fuels Navajo B-#2
SW/SW Sec 10-T40N-R29E
Apache County
Permit No. 621

Dear Mr. Robinson:

Enclosed please find Receipt No. 0061 covering the \$25 filing fee, a copy of your approved Application for Permit to Drill and Permit to Drill No. 621.

Please note our correction on your Application, Form 3, on the location and bond amount.

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

3-21-74

Memo: William E. Allen, Director, Enforcement Section
From: John Bannister, Executive Secretary

Barbara Cunningham of American Fuels Corporation called this date at 2:20 p.m. to advise that American Fuels is making application to drill a well 710 feet from the west line, 590 feet from the south line (SW SW) of Section 10, Township 40 North, Range 29 East.

The application will show that this is to be an oil test. The USGS in Roswell advised that this would not satisfy the Commission, inasmuch as American Fuels obviously is looking for gas. I advised Mrs. Cunningham that as long as the application is regular on its face we must issue the permit, that the problem would be if gas were discovered no production could be had until such time as a hearing was held before the Commission.

This application was put in the mail Tuesday and should be in Phoenix at any time.

3-22-74 - John Bannister granted verbal permission to
open well.

American Fuels Corporation

TELEPHONES
(505) 345-3507
(505) 345-5518

SUITE 200
2921 CARLISLE BOULEVARD, N. E.
ALBUQUERQUE, NEW MEXICO 87110

March 19, 1974

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

Attention: Mr. William E. Allen

Dear Sir:

Enclosed please find two (2) copies of Form No. 3 -
Application for Permit to Drill with attached surveyor's
plats for AFCo well Navajo B#2 to be drilled in Section
10, T40N R29E, Apache County, Arizona.

We are also enclosing a Cashier's Check #15940 in the
amount of \$25.00 as payment of the required fee.

If you have any questions, please contact us.

Very truly yours,

Barbara Cunningham

Barbara Cunningham
Secretary to C. R. Robinson

BAC/s

Enclosures

RECEIVED

MAR 23 1974

O & G CONRS. COMM.