

KERR-McGEE ~~138-3~~ 138-3 *Plan.* 723
NW NE 6-35N-30E apache co.

COUNTY APACHE AREA 13.5 mi. SW Red Rock LEASE NO. 14-20-0603-8876
 5194 Mtn. States Petroleum Corp. Dineh-bi-Keyah
 WELL NAME KERR-MCKEE 138-3 72nd.

LOCATION NW NE SEC 6 TWP 35N RANGE 30E FOOTAGE 600' FNL, 2200' FEL
 ELEV 8550 GR 8576 KB SPUD DATE 6-29-81 STATUS Oil Producing TOTAL DEPTH 4100'
 COMP. DATE 7-27-81

CONTRACTOR Brinkerhoff Signal, Inc.

CASING SIZE _____ DEPTH _____ CEMENT _____ LINER SIZE & DEPTH _____ DRILLED BY ROTARY _____
 DRILLED BY CABLE TOOL _____
 PRODUCTIVE RESERVOIR _____
 INITIAL PRODUCTION _____

Formation	Top	Bottom	REMARKS
<u>Permian</u> Cocanino	1462	3254	
<u>Permian</u> Hermosa	3254	3692	
Intrusive sill	3692	3836	
Base of sill	3836	3870	
Black Shale	3870	4100	

ELECTRIC LOGS Comp. In. Desc. PERFORATED INTERVALS _____ PROD. INTERVALS _____ SAMPLE LOG _____
 SAMPLE DESCRP. _____
 SAMPLE NO. 1827*
 CORE ANALYSIS _____
 DSTs _____
*450-4100
 REMARKS Rec'd Gen.-Oil Ratio Test repts. 8-6-81 APP. TO PLUG _____
 PLUGGING REP. _____
 COMP. REPORT _____

WATER WELL ACCEPTED BY _____
 BOND CO. Firemen's Ins. Co. of Newark, N.J. BOND NO. BND-188-98-10-528
- BIA BOND - DATE 9-12-73
 BOND AMT. \$ 25,000 CANCELLED 12/1/87 ORGANIZATION REPORT x
 FILING RECEIPT 2014 LOC. PLAT x WELL BOOK x PLAT BOOK x
 API NO. 02-001-20253 DATE ISSUED 3-11-81 DEDICATION NW NE 1/4

PERMIT NUMBER 723

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: **Kerr-McGee Corporation** Address: **P. O. Box 250 Amarillo, Texas 79189**

Federal, State or Indian Lease Number or name of lessor if fee lease: **Navajo 138 #14-20-0603-8876** Well Number: **3** Field & Reservoir: **Dineh-Bi-Keyah Field**

Location: **600' FNL & 2200' FEL** County: **Apache**

Sec. TWP-Range or Block & Survey: **Sec 6, T35N, R30E NW/4 NE/4** O & G CONS. COM. #

Date spudded: **6-29-81** Date total depth reached: **7-12-81** Date completed, ready to produce: **7-27-81** Elevation (DF, RKB, RT or Gr.) feet: **GL 8564** Elevation of casing hd. flange feet: **8564**

Total depth: **4100'** P.B.T.D.: **4034' RKB** Single, dual or triple completion?: **Single** If this is a dual or triple completion, furnish separate report for each completion.

Producing interval (s) for this completion: **3700' - 3832'** Rotary tools used (interval): **All** Cable tools used (interval): **None**

Was this well directionally drilled?: **No** Was directional survey made?: **Yes** Was copy of directional survey filed?: **No** Date filed: **N/A**

Type of electrical or other logs run (check logs filed with the commission): **GR-CBL-CCL; *CFDL** *Sent to commission Date filed: **8-17-81**

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	12 1/4"	8 5/8"	24#/ft	450'	30 sx Cl "R"	0
Production	7 7/8"	5 1/2"	15.5#/ft	4100'	250 sx Cl "H"	0

TUBING RECORD

LINER RECORD

Size	Depth set	Packer set at	Size	Top	Bottom	Sacks cement	Screen (ft.)
2 7/8 in.	3879 ft	none ft					

PERFORATION RECORD

ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD

Number per ft.	Size & type	Depth Interval	Amt. & kind of material used	Depth Interval
1 SP 4 ft	Schlumberger Hyper-Jet 2	3700'-3832'	(34 shots) Frac w/40,000 gal gelled Crude; 60,000 lbs 10/20	3700'-3832'

INITIAL PRODUCTION sand down csg.

Date of first production: **7-29-81** Producing method (indicate if flowing, gas lift or pumping—if pumping, show size & type of pump): **Pumping - 2 1/2 x 2 x 16' top hold down pump**

Date of test: **8-2-81** Hrs. tested: **24** Choke size: **none** Oil prod. during test: **256 bbls.** Gas prod. during test: **33.8 MCF** Water prod. during test: **21 bbls.** Oil gravity: **42.0 API (Corr)**

Tubing pressure: **0** Casing pressure: **0** Cal'cd rate of Production per 24 hrs. Oil: **256 bbls.** Gas: **33.8 MCF** Water: **21 bbls.** Gas-oil ratio: **132**

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

Vented

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the **Sr. Engineering Assistant** of the **Kerr-McGee 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.

Date: **August 17, 1981**

Signature: *Kelley Eisenberg*
Kelley Eisenberg

Permit No. **723**

Form No. 4

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

File Copy

DETAIL OF FORMATIONS PENETRATED

Formation	Top	Bottom	Description*
Cocanino	1462	3254	
Hermosa	3254	3692	
Intrusive sill	3692	3836	
Base of sill	3836	3870	
Black Shale	3870	4100	

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

INSTRUCTIONS:

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

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

Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-0603-8876	Field Dineh-BI-Keyah	Reservoir Hermosa
Survey or Sec-Twp-Rge Sec 6-T35N-R30E	County Apache	State AZ
Operator Mountain States Petroleum Corp.		
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:		
Street P O Bx 1936	City Roswell,	State New Mexico 88202
Above named operator authorizes (name of transporter) Giant Industries		
Transporter's street address P O Bx 12999	City Scottsdale,	State AZ 85267
Field address P O Bx 256 (Bloomfield Hwy) Farmington, N M 87499		
Oil, condensate, gas well gas, casinghead gas		
To transport 100% of the oil 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. Change of Oper.		

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 Secretary of the Mountain States Petro. Corp. (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 Aug. 11, 1995

Ruby Wickenshaw
Signature

Date approved: AUG 16 1995

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

By: Steven L. Rain

Permit No. 723

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. 1

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

Federal, State or Indian Lease Number, or lessor's name if fee lease 14-20-0603-8876 Navajo 138	Field Dineh-Bi-Keyah	Reservoir Hermosa
Survey or Sec-Twp-Rge S 6 - T 35 N - R 30 E	County Apache	State Arizona
Operator Kerr-McGee Corporation		
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:		
Street P. O. Box 250	City Amarillo	State Texas, 79189
Above named operator authorizes (name of transporter) Gary Williams Energy		
Transporter's street address 370 17th St., Suite 5300	City Denver	State Colorado, 80202
Field address P. O. Box 159, Bloomfield, NM 87413		
Oil, condensate, gas well gas, casinghead gas		
To transport	100 % of the Oil	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.		

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.

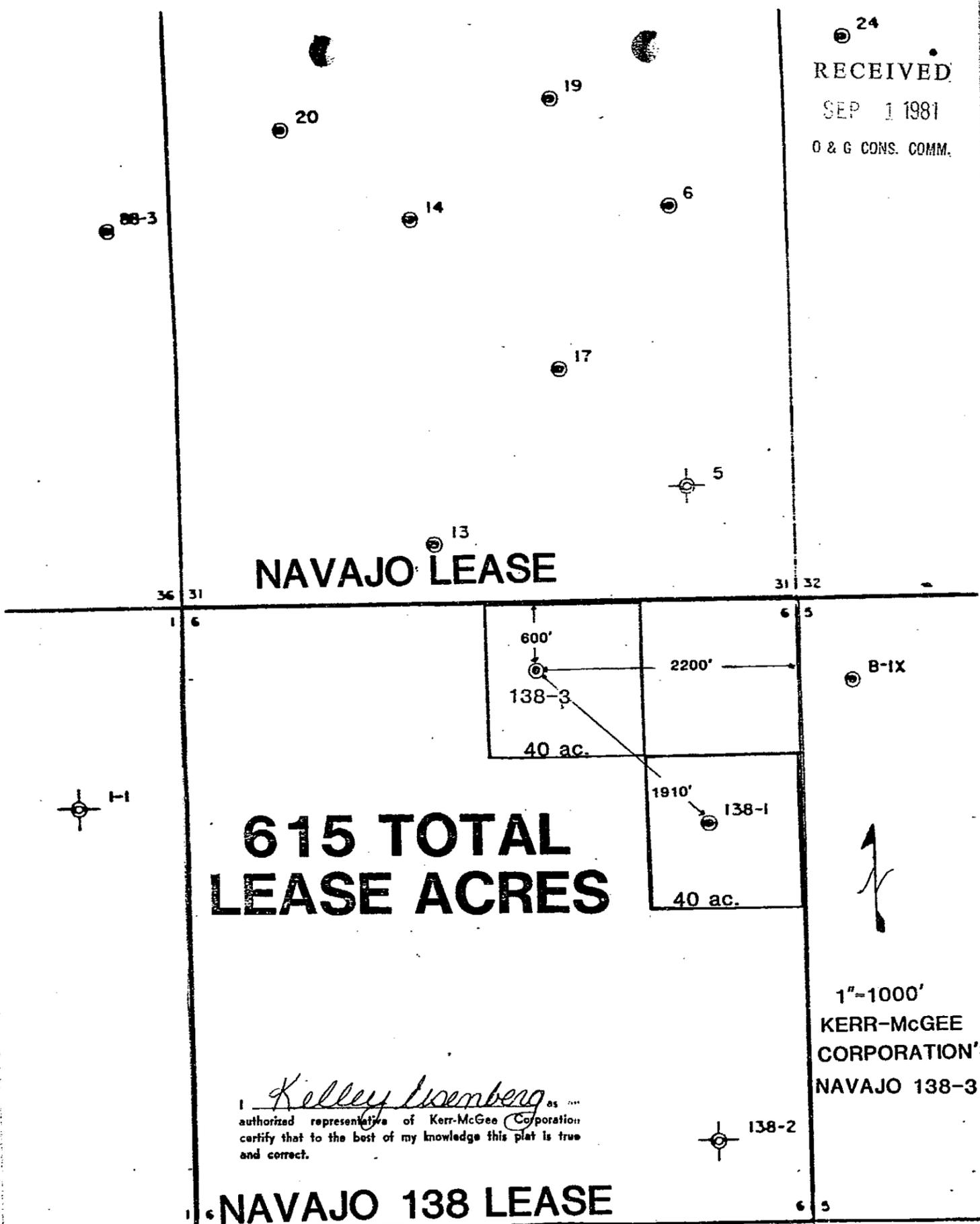
CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Area Manager of the Kerr-McGee Corporation (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein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

8/18/92 Date H. H. Rice Signature H. H. Rice

Date approved: 8-21-92
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
By: Steven L. Rainz
Permit No. _____

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. 8

24
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SEP 1 1981
O & G CONS. COMM.



NAVAJO LEASE

615 TOTAL
LEASE ACRES

Kelley Eisenberg as
authorized representative of Kerr-McGee Corporation
certify that to the best of my knowledge this plat is true
and correct.

NAVAJO 138 LEASE

1"=1000'
KERR-McGEE
CORPORATION'S
NAVAJO 138-3

POTENTIAL TEST AND REQUEST FOR ALLOWABLE OIL WELLS

DESIGNATE TYPE OF COMPLETION:

New Well Work-over Deepen Plug Back Same Reservoir Different Reservoir

Other Reason For Filing:

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SEP 1 1981

Operator

Kerr-McGee Corporation

O & G CONS. COMM.

Address

P. O. Box 250 Amarillo, Texas 79189

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or Lessor's Name if Fee Lease	Well Name	County
Navajo 138 #14-20-0603-8876	Navajo 138-3	Apache

Footage Location

600' FNL & 2200' FEL

Sec. Twp. Rge.

Sec 6, T 35N, R30E NW/4 NE/4

Date spudded	Date completed, ready to produce	Total depth	P.B.T.D.
6-29-81	7-27-81	4100'	4034'
Field and reservoir	Top of pay	Producing interval	
Dineh-Bi-Kevah	3700'	3700-3832'	

TEST DATA

Date of first production	Date of test	Length of test	Producing method (flow pump, gas lift)	Amount of load oil injected, if any
7-29-81	8-2-81	24 hrs.	Pumping	40,000 gal
Number of barrels of oil produced from completion or recompletion date to test date		If well is produced by pumping, give pump size, length of stroke and strokes per minute.		
0		2 1/2 x 2 x 16', American 228; 10 SPM, 63" stroke		
Tubing pressure	Casing pressure	Choke size		
0	0	none		
*Actual production during test:	Oil (bbls)	Water (bbls)	Gas (MCF)	
	256	21	33.8	

*Production must actually equal or exceed wells daily allowable or test must be for full 24 hours

Gas-oil ratio	MCF/bbl.	Oil gravity	* A.P.I. corrected	Name of transporter of oil
132		42.0		Kerr-McGee

Number of acres attributed to this well	Number of producing wells in this reservoir on this lease, including this well	Single, dual or triple completion?	Daily allowable requested (bbls)
40	2	Single	256 bbls.

Plat showing acreage attached—plat should show leases, offset wells, distance from this well to the nearest well on the same lease completed in or drilling to the same reservoir, and the boundaries of drilling and producing, or proration, units attributed to this well and other wells on the same lease completed in or drilling to the same reservoir, the number of acres in each unit and the number of acres in the lease.

Sr. Engineering Assistant

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

August 17, 1981

Date

Signature *Kelley Eisenberg*

Witnessed by: _____
 Organization _____
 Signature _____
 Date _____

Permit No. 723

Form No. 6

STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION

Potential Test & Request for Allowable—Oil Wells

File One Copy

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AUG 8 1981

O & G CONS. COMM.

Form Approved. Budget Bureau No. 42-R1424

Form 9-331 Dec. 1973

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well [x] gas well [] other []
2. NAME OF OPERATOR Kerr McGee Corporation
3. ADDRESS OF OPERATOR P.O. Box 250 Amarillo Texas 79189
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.) AT SURFACE: 2200' FEL & 600' FNL NW/4 NE/4 AT TOP PROD. INTERVAL: 2200' FEL & 600' FNL AT TOTAL DEPTH: 2200' FEL & 600' FNL
16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

5. LEASE Navajo 138 #14-20-0603-8876
6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo
7. UNIT AGREEMENT NAME N/A
8. FARM OR LEASE NAME Navajo 138
9. WELL NO. 3
10. FIELD OR WILDCAT NAME Dineh-Bi-Keyah
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 6, T-35-N, R-30-E
12. COUNTY OR PARISH 13. STATE Apache Arizona
14. API NO. 02-001-20253
15. ELEVATIONS (SHOW DF, KDB, AND WD) 8576' KB; 8574' DF; 8564' GL

REQUEST FOR APPROVAL TO: TEST WATER SHUT-OFF [] FRACTURE TREAT [] SHOOT OR ACIDIZE [] REPAIR WELL [] PULL OR ALTER CASING [] MULTIPLE COMPLETE [] CHANGE ZONES [] ABANDON* [] (other) Well Completion []
SUBSEQUENT REPORT OF: [] [] [] [] [] [] [] [] []

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. 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.)

- 7-23-81 TIH w/2-3/8" Baker Hydrostatic pkr & 126 jts 2-3/8" EUE tbg. Tag fill @ 3870'. TOOH w/pkr & tbg. 4 jts full of sand. TIH w/same, tag fill @ 3912'.
7-24-81 TIH as follows: 1 Jt. 2-3/8" EUE 8rd tbg. open ended. 1 2-7/8" S.N. 125 jts. 2-7/8" EUE 8rd tbg. Tag fill @ 3954' RKB. Bottom of tail @ 3848', bottom perf @ 3832' RKB. TIH w/2 1/2 x 2 x 16' top. hold down pmp. Rods as follows: 151 3/4" Gr. "C" sucker rods, 22 x 3/4" Gr. "C" Pony rod. 1 - 1-1/4 x 22' polish rod w/10' liner.
7-25-81 Bld pmp pad
7-26-81 No work
7-27-81 Set 228 American pumping unit @ 63" strokes

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED Kelley Eisenberg TITLE Engineering Ass't DATE July 31, 1981

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

- 7-28-81 Install elec. lines
7-29-81 Set pmp @ 10 SPM, 63", SI psi 195. Shot FL @ 3535', SN @ 3848' RKB. Pumped up in 1 hr. 25 min.

723

Instructions on Reverse Side

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JUL 27 1981

Form 9-331
Dec. 1973

Form Approved
Budget Bureau No. 42-R1424

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

O & G CONS. COMM.

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Kerr-McGee Corporation

3. ADDRESS OF OPERATOR
P. O. Box 250

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 2200' FEL & 600' FNL NW/4 NE/4
AT TOP PROD. INTERVAL: 2200' FEL & 600' FNL
AT TOTAL DEPTH: 2200' FEL & 600' FNL

5. LEASE
Navajo 138 #14-20-0603-8876

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo

7. UNIT AGREEMENT NAME
None

8. FARM OR LEASE NAME
Navajo 138

9. WELL NO.
3

10. FIELD OR WILDCAT NAME
Dineh-Bi-Keyah

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 6, T-35-N, R-30-E

12. COUNTY OR PARISH
Apache

13. STATE
Arizona

14. API NO.
02-001-20253

15. ELEVATIONS (SHOW DF, KDB, AND WD)
8576' KB; 8574' DF; 8564' GL

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	<input checked="" type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	<input checked="" type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE <input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES <input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) well completion <input type="checkbox"/>	

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. 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.)*

7/16/81 Swab FL to 3800'; RU Schlum & perf from 3812; to 3832' w/lsp4', total of 6 holes. RD. Schlum. & RU Lyles Oil Tool. TIH w/pres. bomb. to 3822'; TOH w/bomb after 9 1/2 hrs. No build up. BOH 4034', 267 psi, 3822' (mid perfs) 77 psi.

7/17/81 RU Schlum. & perf 3700' to 3832' RKB lsp4' total of 34 holes. PU 2 7/8" SN, Hallib. 5 1/2" RTTS Pkr. & TIH w/115 Jts. 2 7/8" tbg. Set pkr at 3537'. RU Hallib. to frac. PMP 2200 g. gelled oil to load csg. Test pkr. to 2000 psi. Held OK, bled to 1000 psi and held throughout job. Load tbg. w/gelled oil. (20bbls) Estab. rate of 3BPM & 20 psi. SD & ISIP = Opsi. Pmped 50 bbls treated oil drop ball sealer every 15 gal. Rate 6BPM, 425 psi & 3000 psi, balled off perfs. TOOH w/tbg & pkr. RU to csg & frac w/40,000 gal gelled crude oil and 60,000 lbs. 10/20 sd. down csg. as follows: (over)

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED Kelley Eisenberg TITLE St. Eng. Ass't. DATE July 24, 1981
Kelley Eisenberg

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

723

General: This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal law and regulations, and, if approved or accepted by any State, on all lands in such State, pursuant to applicable State law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 17: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud; or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

Instructions

7/18/81	Pump 7657 gal. MY-T-Oil II Pad 52 BPM and 580 psi
7/19/81	Pump 10,000 gal. MY-T-Oil II w/lppg 10/20 sd at 50.5 BPM and 540 psi
7/20/81	Pump 10,000 gal MY-T-Oil II w/2 ppg 10/20 sd at 54 BPM and 730 psi.
7/21/81	Pump 4,000 gal MY-T-Oil II w/3ppg 10/20 sd at 25 BPM and 20 psi. (Lost blender)
7/22/81	Pump 6,000 gal MY-T-Oil II w/3ppg 10/20 sd at 53 BPM and 900 psi
	Flush w/1805 gal treated lease crude. ISIP 130 psi, 1 min. 60 psi, 2 min, Ops. Ave. rate 52 BPM pres. 650 psi.
	RU Schlum. Run Temp. Survey. Tag PBTB at 4034'
	Pmpg sd.
	Swab and pmp sd. Drop 900 psi Bomb w/Lyles Oil Tools
	Pull bomb out. BHP 231 psi. Pmp sd.
	Pmp. sd.

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNNYVALE, CALIFORNIA

Pump 7657 gal. MY-T-Oil II Pad 52 BPM and 580 psi
Pump 10,000 gal. MY-T-Oil II w/lppg 10/20 sd at 50.5 BPM and 540 psi
Pump 10,000 gal MY-T-Oil II w/2 ppg 10/20 sd at 54 BPM and 730 psi.
Pump 4,000 gal MY-T-Oil II w/3ppg 10/20 sd at 25 BPM and 20 psi. (Lost blender)
Pump 6,000 gal MY-T-Oil II w/3ppg 10/20 sd at 53 BPM and 900 psi
Flush w/1805 gal treated lease crude. ISIP 130 psi, 1 min. 60 psi, 2 min, Ops. Ave. rate 52 BPM pres. 650 psi.
RU Schlum. Run Temp. Survey. Tag PBTB at 4034'
Pmpg sd.
Swab and pmp sd. Drop 900 psi Bomb w/Lyles Oil Tools
Pull bomb out. BHP 231 psi. Pmp sd.
Pmp. sd.

GPO : 1976 O - 214-148

Approved by _____
Special Agent in Charge

Approved by _____
State or Federal Representative

APPROVED BY _____
SPECIAL AGENT IN CHARGE

APPROVED BY _____
STATE OR FEDERAL REPRESENTATIVE

RECEIVED

JUL 22 1981

Form 9-331
Dec. 1973

Form Approved
Budget Bureau No. 42-R1424

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

O & G CONS. COMM.

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Kerr-McGee Corporation

3. ADDRESS OF OPERATOR
P.O. Box 250 Amarillo, Texas 79189

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 600' FNL and 2200' FEL
AT TOP PROD. INTERVAL: 600' FNL and 2200' FEL
AT TOTAL DEPTH: 600' FNL and 2200' FEL

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>

5. LEASE
Navajo 138 #14-20-0603-8876

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
Navajo 138

9. WELL NO.
3

10. FIELD OR WILDCAT NAME
Dineh-bi-Keyah

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 6, T-35-N, R-30-E

12. COUNTY OR PARISH | 13. STATE
Apache | Arizona

14. API NO.
02-001-20253

15. ELEVATIONS (SHOW DF, KDB, AND WD)
8576' KB; 8574' DF; 8564' GL

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

(other) Corrections for Rpts dated July 2, 1981, July 10, 1981, and July 16, 1981.
Correction to show 2200' FEL on question #4.

17. 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.)*

LOCATION OF WELL

AT SURFACE: 600' FNL & 2200' FEL NW/4 NE/4
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED Kelley Swenberg TITLE Sr. Eng. Asst. DATE July 20, 1981

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL IF ANY:

723

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JUL 20 1981

Form 9-331
Dec. 1973

Form Approved.
Budget Bureau No. 42-R1424

UNITED STATES O & G CONS. COMM
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Kerr-McGee Corporation

3. ADDRESS OF OPERATOR
P.O. Box 250 Amarillo, Texas 79189

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 600' FNL and 2000' FEL
AT TOP PROD. INTERVAL: 600' FNL and 2000' FEL
AT TOTAL DEPTH: 600' FNL and 2000' FEL

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

5. LEASE
Navajo 138 #14-20-0603-8876

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
Navajo 138

9. WELL NO.
3

10. FIELD OR WILDCAT NAME
Dineh-bi-Keyah

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 6, T-35-N, R-30-E

12. COUNTY OR PARISH
Apache

13. STATE
Arizona

14. API NO.
02-001-20253

15. ELEVATIONS (SHOW DF, KDB, AND WD)
8576' KB; 8574' DF; 8564' GL

REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

PULL OR ALTER CASING

MULTIPLE COMPLETE

CHANGE ZONES

ABANDON*

(other) drilling & running prod. csg

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. 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.)

7/9/81 Drld. from 3295' to 3560'; Form SD&SH; Drld. 265'; Mud wt. 9.0

7/10/81 Drld from 3560' to 3910'; Form SH&SD; Drld 350'; Mud wt. 9.0

7/11/81 Drld from 3910' to 4080'; Form SH; Drld 170'; Mud wt 9.2; Chng Bit @ 4040'; Bit #3 RR STC, 7 7/8, J-22

7/12/81 Drld from 4080' to 4100'; Form SH&LS; Drld 20'; Mud wt 9.2; Ran Schl. logs. CFDL, GR; SP; Ran 100 jts, 5 1/2", 15.5 #/ft, K-55, ST&C csg to 4100'. FC @ 4061', 20 Bbl Chem. wash. & cmt w/ 250 sx. Cl. "H" w/ 1/4# florelle/sack. 0.6% Halad -9, Disp. w/ 96 bbl. FW. Recip. csg while cmtng. ND BOP.

7/13/81 Set 63,000# on slips, cut 5 1/2" csg. Clean pits. Release rig @ 10 a.m.

7/14/81 Install 5 1/2" Tbg. head. RU Schlum & run GR-CBL-CCL, Bond looked v. gd. TOC 3020' RKB

7/15/81 Install 600 Double BOP's (Hydraulic) Test csg to 3000 psi. BOP leaked. Repair BOP & retest to 3000 psi. Held. RU 5 1/2" csg swab to swab csg to 900' Subsurface Safety Valve: Manu. and Type _____ Set @ _____ ft.

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

SIGNED Kelley Eisenberg TITLE Sr. Eng. Asst. DATE July 16, 1981

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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Form 9-331
Dec. 1973

Form Approved
Budget Bureau No. 42-R1424

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

O & G CONS.

COM. LEASE

Navajo 138 #14-20-0603-8876

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Navajo

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

Navajo 138

9. WELL NO.

3

10. FIELD OR WILDCAT NAME

Dineh-bi-Keyah

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 6, T-35-N, R-30-E

12. COUNTY OR PARISH | 13. STATE

Apache | Arizona

14. API NO.

02-001-20253

15. ELEVATIONS (SHOW DF, KDB, AND WD)
8576' KB; 8574' DF; 8564' GL

SUNDRY NOTICES AND REPORTS ON WELLS
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Kerr-McGee Corporation

3. ADDRESS OF OPERATOR
P.O. Box 250 Amarillo, Texas 79189

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 600' FNL and 2000' FEL
AT TOP PROD. INTERVAL: 600' FNL and 2000' FEL
AT TOTAL DEPTH: 600' FNL and 2000' FEL

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>
(other) drilling	<input type="checkbox"/>		<input type="checkbox"/>

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. 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.)

07/02/81 Drld from 1423' to 1637'; form. SH & SD, Drld 214'; Mud Wt. 9.0
Chng. bit @ 1530'; Bit #3, 7 7/8, J-22; Lost Circ @1637'.

07/03/81 Drld from 1637' to 2013'; Form. RB, Drld 376' Mud Wt. 8.5
Full rtrns @ 1637'. Lost circ. @ 1780'. Full rtrns. @ 1800'.

07/04/81 Drld from 2013' to 2324' Form. SD and SH, Drld 156'; Mud Wt. 9.0

07/05/81 Drld. from 2324' to 2480' Form. SD, Drld 156'; Mud Wt. 9.0.

07/06/81 Drld. from 2480' to 2690'. Form. LM and SH, Drld 96'; Mud Wt 8.6
Chng bit @ 2480'; Bit #4 7 7/8, F-2.

07/07/81 Drld. from 2690' to 3000', Form. LM & SH; Drld 246', Mud Wt. 8.7

07/08/81 Drld from 3000' to 3295', Form. SD. Drld, 295', Mud Wt. 9.2
Resurvey Loc. GL 8564', DF 8574', KB 8576'.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct
SIGNED Kelley Lisenberg TITLE St. Eng. Asst. DATE July 10, 1981

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

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AKS

Form 9-331
Dec. 1973

Form Approved
Budget Bureau No. 42-R1424

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

O & G CONS. COMM. LEASE

Navajo 138 #14-20-0603-8876

5. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
Navajo 138

9. WELL NO.
3

10. FIELD OR WILDCAT NAME
Dineh-bi-Keyah

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 6, T-35-N, R-30-E

12. COUNTY OR PARISH 13. STATE
Apache Arizona

14. API NO.
02-001-20253

15. ELEVATIONS (SHOW DF, KDB, AND WD)
8550' ungraded

SUNDRY NOTICES AND REPORTS ON WELLS
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Kerr-McGee Corporation

3. ADDRESS OF OPERATOR
P.O. Box 250 Amarillo, Texas 79189

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 600' FNL and 2000' FEL
AT TOP PROD. INTERVAL: 600' FNL and 2000' FEL
AT TOTAL DEPTH: 600' FNL and 2000' FEL

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE <input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES <input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) spud & surface casing <input type="checkbox"/>	<input type="checkbox"/>

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. 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.)*

6/29/81 Spud and drill to 450' w/ 12 1/4" bit, Mud wt. 8.7, Vis 36.

6/30/81 Run 8 5/8" surf. csg, 11 jt. 24#, K-55, LT&C Guide Shoe at 450', TD 450', cmt w/ 300 sx Cl "B" w/ 1/4# per sack celloflake. displace w/ 27 1/2 bbls H₂O, Bump plug w/ 800 psi. Circ 40 sx to surface.

¹ 6/1/81 Drlg. TD 1423' w/ 7 7/8" bit, Mud wt. 9.0, Vis 38.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED Kelley Eisenberg TITLE Sr. Eng. Asst. DATE July 2, 1981

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

723

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Kerr-McGee Corporation

3. ADDRESS OF OPERATOR
 P. O. Box 250
 O & G CONS. COMM.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 600' FNL & 2200' FEL
 At proposed prod. zone: 600' FNL & 2200' FEL

5. LEASE DESIGNATION AND SERIAL NO.
 14-20-0603-8876

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 Navajo

7. UNIT AGREEMENT NAME
 N.A.

8. FARM OR LEASE NAME
 Navajo Tract 138

9. WELL NO.
 3

10. FIELD AND POOL, OR WILDCAT
 Dineh-bi-Keyah

11. SEC. T., R., M., OR BLE. AND SURVEY OR AREA
 Sec. 6, T35N, R30E

12. COUNTY OR PARISH 13. STATE
 Apache Arizona

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 13.5 miles Southwest from Red Rock, Arizona

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any)
 600'

16. NO. OF ACRES IN LEASE
 615.628

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1910'

19. PROPOSED DEPTH
 4100'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 8550' ungraded ground

22. APPROX. DATE WORK WILL START*
 May 1, 1981

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 U.S. GEOLOGICAL SURVEY

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	20"	94#/ft	100'	12 yds. Redimix
12 1/4"	8 5/8"	24#/ft	400'	300 sx.
7 7/8"	5 1/2"	14#/ft	4100'	300 sx.

1. Drill 24" surface hole & set 20" conductor casing to 100' & cement.
2. Drill 12 1/4" hole and set 8 5/8" surface casing to 400' w/good returns.
3. Log B.O.P. checks in daily drill reports and drill 7 7/8" hole to T.D.
4. Run logs and run 5 1/2" casing & cement if well is productive.
5. Run other logs as needed and perforate and stimulate as needed.

EXHIBITS ATTACHED

- | | |
|--|--|
| A. Location and Elevation Plat | H. Drill Rig & Production Facilities Layout. |
| B. Ten-Point Compliance Program | I. Archaeology Report |
| C. Blowout Preventer Diagram | J. Rehabilitation Plan |
| D. The Multi-Point Surface Use and Operations Plan | |
| E. Access Road Map onto Location | |
| F. Radius Map of Field | |
| G. Drill Pad Layout and Cut and Fill Section | |

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Kelley Eisenberg TITLE Engineering Assistant DATE February 26, 1981

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY _____ TITLE _____
 CONDITIONS OF APPROVAL, IF ANY:

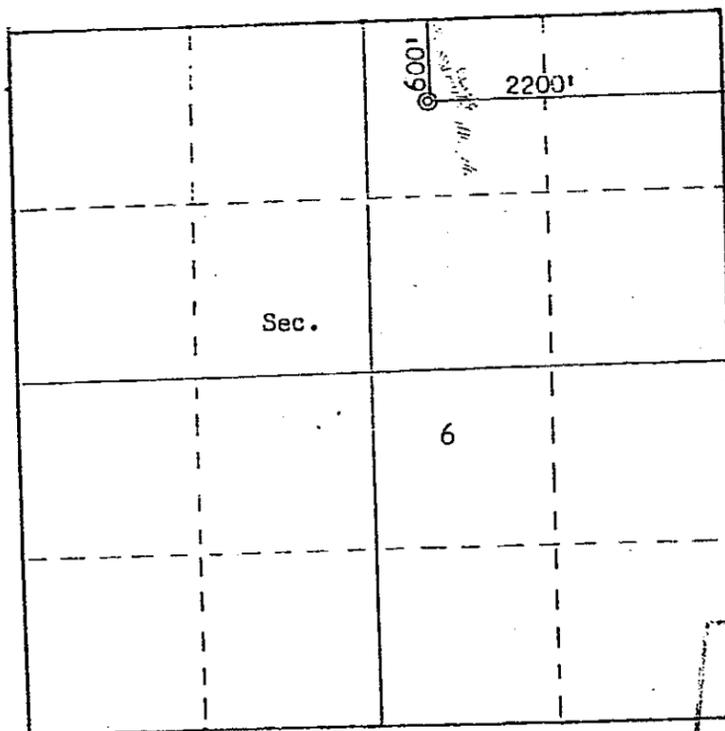
APPROVED
 AS AMENDED
 JUN 02 1981
 JAMES F. SIMS
 DISTRICT ENGINEER

723

*See Instructions On Reverse Side

Arizona OCC

COMPANY KERR-MCGEE CORPORATION
 LEASE NAVAJO WELL NO. 138-3
 SEC. 6, T. 35N, R. 30E
APACHE COUNTY, ARIZONA
 LOCATION 600' FNL 2200' FEL
 ELEVATION 8550 ungraded ground



SCALE—4 INCHES EQUALS 1 MILE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTE OF ACTUAL SURVEYS MADE BY ME UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Fred B. Kerr Jr.
 Fred B. Kerr Jr.

SEAL: Registered Land Surveyor.
 #3950

SURVEYED December 4, 1980

FARMINGTON, N. M.

RECEIVED
 MAR 13 1981
 U. S. GEOLOGICAL SURVEY
 FARMINGTON, N. M.

EXHIBIT "B"

TEN-POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

1. The Geologic Surface Formation

The surface formation is the Chuska.

2. Estimated Tops of Important Geologic Markers

Chuska	Surface
Coconina	1450'
Hermosa	3240'
Black Shale	3630'
Intrusive	3655'

3. Estimated Depths of Anticipated Water, Oil, Gas, or Minerals

Intrusive	3655'	Oil
-----------	-------	-----

4. The Proposed Casing Program

- (a) Conductor casing: Set 20", 94#/ft., H-40 ST&C, new casing to 100' in 24" surface hole; cement with 12 yards of redmix.
- (b) Surface casing: Set 8 5/8", 24#/ft., K-55 ST&C, new casing to 400' in 12 1/4" surface hole; cement with 300 sacks Class "B" with 2% CaCl and 1/4 lb. flocele per sack.
- (c) Production casing: Set 5 1/2" 14#/ft., K-55 ST&C, new casing to TD in 7 7/8" hole; cement with 300 sacks Class "B" with 1/4 lb. flocele per sack.

5. The Operator's Minimum Specifications for Pressure Control

EXHIBIT "C" is a schematic diagram of the blowout preventer equipment. The BOP's will be hydraulically tested to the full working pressure after nipping up and after any use under pressure. Pipe rams will be operationally checked each 24-hour period, as will blind rams each time pipe is pulled out of the hole. Such checks of BOP will be noted on daily drilling reports.

Exhibit "B"
Ten-Point Compliance Program
February 2, 1981
Page -2-

Accessories to BOP will include an upper kelly cock, and choke manifold with pressure rating equivalent to the BOP stack. (API Series 900)

6. The Type and Characteristics of the Proposed Circulating Muds

Mud system will be water-gel with adequate stocks of sorptive agents and other materials on site to handle any anticipated downhole problems as well as possible spills of fuel and oil on the surface. Heavier muds will be added if required.

- (a) 0' - 350' Water, gel and lime to drill surface hole.
Weight of mud: 8.9 to 9.0 ppg
- (b) 350' - T.D. Fresh water-gel
Weight of mud: 8.9 to 9.0 ppg
Viscosity: 38 to 48 sec.
Water loss: 8 to 10 cc

7. The Auxiliary Equipment to be Used

No auxiliary equipment will be used. The mud program will be monitored visually.

8. The Testing, Logging and Coring Programs to be Followed

- (a) No tests are anticipated.
- (b) The logging program will consist of Compensated Formation Density - Gamma Ray - Caliper Logs from total depth to bottom of surface casing. Run Gamma Ray from bottom of surface casing to surface.
- (c) No coring is anticipated.
- (d) Samples will be caught at 10' intervals from bottom of surface casing to total depth.

9. Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well.

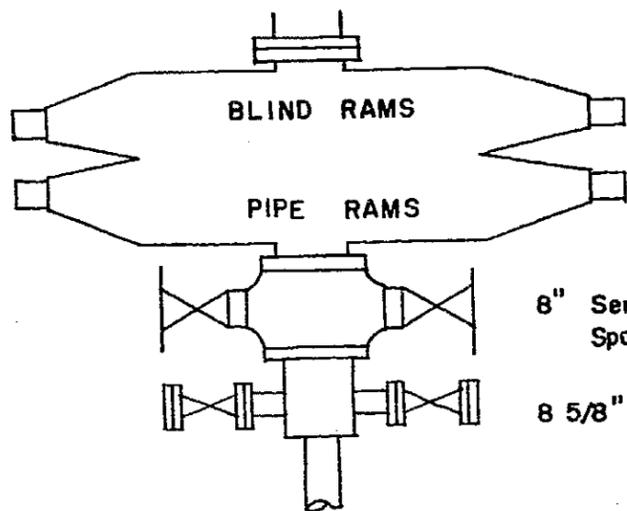
No hydrogen sulfide or other hazardous fluids or gases have been found, reported or known to exist at these depths in the area.

10. Anticipated Starting Date and Duration of the Operations

The anticipated starting date is set for May 1, 1981, or as soon as possible after examination and approval of drilling requirements. Operations should be completed within 30 days after spudding the well and drilling to casing point.

EXHIBIT "C"

Blowout Preventer Diagram



8" 900 Series
Blowout
Preventer

6" Series 900
Spool

8 5/8" Series 900
Casinghead

PRESSURE CONTROL EQUIPMENT
KERR MCGEE CORPORATION
NAVAJO LEASE
DINEH-BI-KEYAH FIELD
APACHE COUNTY, ARIZONA

KERR-MCGEE CORPORATION

EXHIBIT "D"

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Attached to Form 9-331C
Kerr-McGee Corporation
Navajo #138-3
Sec.6, T35N, R30E
NW NE 1/4
Apache County, Arizona

1. Existing Roads

- A. The proposed well site and elevation plat is shown as EXHIBIT "A".
- B. The distance from Shiprock, New Mexico, is 5 miles south on Highway 666. Turn right (west) on Navajo Road No. 13 and proceed 20 miles to Red Rock, Arizona. Continue south on dirt road (Lukachukai Road) for 4 miles to "Y" in road. Take right hand fork (west) and proceed 3 miles to Kerr-McGee Warehouse. The Navajo 138-3 is located approximately 2.37 miles S 30° W of the warehouse as shown on attached map (Exhibits E & E₁).
- C. All roads are labeled into location. No new access road is needed. The logging trail needs minor improvement.
- D. N/A
- E. This is a development well. All existing roads within a one-mile radius are shown on EXHIBIT "E".
- F. The existing roads need no improvement except for the logging road which needs minor improvement.

2. Planned Access Roads

Map showing all necessary access roads to be constructed or reconstructed is shown as EXHIBIT "E" for the following:

- (1) The maximum width of the running surface of the 1125 feet of access road as you leave the existing graded road will be 18' .
- (2) The grade will be 8% (eight percent) or less.
- (3) No turn outs are planned.
- (4) Appropriate water bars will be constructed to assure drainage off location to conform with the natural drainage pattern.
- (5) One (1) 15" culvert approximately 600 feet East off the abandoned logging trail.

- (6) Surfacing materials will be native soil.
- (7) No gates, cattle guards, or fence cuts are needed.
- (8) Reconstructed road is centerline-flagged.

3. Location of Existing Wells

For all existing wells within a one mile radius of development well, see EXHIBIT "F".

- A. The number of water wells within a one mile radius of this location is none.
- B. The number of abandoned wells in this one mile radius is two.
- C. There are no temporarily abandoned wells.
- D. The number of disposal wells is none.
- E. There are no wells presently being drilled.
- F. The number of producing wells within this one mile radius is seven.
- G. The number of shut-in wells is none.
- H. There are no injection wells.
- I. There are no monitoring or observation wells for other uses.

4. Location of Existing and/or Proposed Facilities

- A. Within a one mile radius of location the following existing facilities are owned or controlled by lessee/operator:
- (1) Tank Batteries: None
 - (2) Production Facilities: seven flowlines (buried)
 - (3) Oil Gathering Lines: Shown on EXHIBIT "F".
 - (4) Gas Gathering Lines: None
 - (5) Injection Lines: none
 - (6) Disposal Lines: none
- B. If production is obtained, new facilities will be as follows:
- (1) The production facilities will be flagged and composed of a flow line to be connected to existing oil gathering lines as shown on EXHIBIT "F".

(2) No new facilities needed.

(3) N/A.

(4) N/A.

C. Rehabilitation, whether well is productive or dry, will be made on all unused area in accordance with the restoration plans presented in ITEM #10 following.

5. Location and Type of Water Supply

- A. The source of water will be Standing Red Rock Creek, in the Southwest corner of Sec. 11 T30N R30E, which is running water, as shown on EXHIBIT "E".
- B. Water will be transported by truck over existing roadways.
- C. No water well is to be drilled on this lease.

6. Construction Materials

- A. No construction materials are needed for drilling or access roads into the drilling location. The surface soil materials will be sufficient.
- B. No construction materials will be taken off the Indian land.
- C. All surface soil materials for construction of access roads are sufficient.
- D. All major access roads presently exist as shown on EXHIBIT "E".

7. Handling of Waste Materials and Disposal

- A. Drill cuttings will be buried in the reserve pit and covered.
- B. Drilling fluids will be handled in the reserve pit.
- C. Any fluids produced during drilling test or while making production test will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in reserve pit. Any spills of oil, gas, salt waters, or other noxious fluids will be cleaned up and removed.

- (D) Chemical facilities will be provided for human waste.
- (E) Garbage and non-flammable waste and salts and other chemicals produced during drilling or testing will be handled in trash pit. Flammable waste will be disposed of in trash pit. Drill fluids, water, drilling mud, and tailings will be kept in reserve pit, as shown on EXHIBIT "H".
- (F) After the rig moves out, all materials will be cleaned up and no adverse materials will be left on location. Any dangerous open pit will be fenced during drilling and kept closed until such time as the pit is leveled. Reserve pit will be fenced on three sides and the fourth side fenced upon removal of the rig. The trash pit will be totally enclosed with small mesh wire.

8. Ancillary Facilities

No air strip, camp or other facilities will be built during drilling of this well.

9. Well Site Layout

- A. EXHIBIT "G" is the Drill Pad Layout as staked, with elevations, by Jim O'Leary, Field Foreman for DBK, for the Kerr-McGee Corporation. Cuts and fills have been drafted to visualize the planned cut across the location spot and to the deepest part of the pad. Topsoil will be stockpiled per BIA specifications determined at time of pre-drill inspection.
- B. EXHIBIT "H" is a plan diagram of the proposed rig and equipment, reserve pit, burn and trash pit, pipe racks and mud tanks. No permanent living facilities are planned.
- C. EXHIBIT "H" includes rig orientation, parking areas, and access road.
- D. The reserve pits will not be lined.

10. Plans for Restoration

- A. Backfilling, leveling and contouring are planned as soon as all pits have dried. Waste disposal and spoils materials will be buried or hauled away immediately after drilling is completed. If production is obtained, the unused area will be restored as soon as possible.
- B. The soil banked material will be spread over the area. Revegetation will be accomplished by planting mixed grasses as per formula provided by the BIA. Revegetation is recommended for road area, as well as around drill pad.

- C. Three sides of the reserve pit will be fenced during drilling operations. Prior to rig release, the reserve pit will be fenced on the fourth side to prevent livestock or wildlife from becoming entrapped; and the fencing will be maintained until leveling and cleanup are accomplished.
- E. If any oil is on the pits and is not immediately removed after operations cease, the pit containing the oil or other adverse substances will be flagged overhead or covered with wire mesh.
- F. The rehabilitation operations will begin immediately after the drilling rig is removed. Removal of oil or other adverse substances will begin immediately or area will be flagged and fenced. Other cleanup will be done as needed. Planting and revegetation is considered best in September, 1981, unless requested otherwise.

11. Other Information

- A. The soil is sandy to silty. No distinguishing geological features are present. The area is covered with pine trees, oak brush, some aspen, and native grass. There are livestock, rabbits, sheep, and deer in the area. The topography is mountainous.
- B. The primary surface use is for grazing. The surface is of the Navajo Tribal lands administered by the Bureau of Indian Affairs.
- C. The closest live water is Standing Red Rock Creek, approximately 1 1/2 m. NW of the location, as shown on EXHIBIT "E".

There are no known archaeological, historical, or cultural heritiages that will be disturbed by this drilling.

The closest occupied dwelling is the Kerr-McGee office located miles from the location, in which someone is there 24 hours a day.
- D. There are no reported restrictions or reservations noted on the oil and gas lease.
- E. Drilling is planned for on or about May 1, 1981. It is anticipated that the casing point will be reached within 20 days after commencement of drilling.

12. Lessee's or Operator's Representative

C. Alan Roberts
Kerr-McGee Corporation
P. O. Box 250
Amarillo, Texas 79189
Phone (806) 359-0351

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Kerr-McGee Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

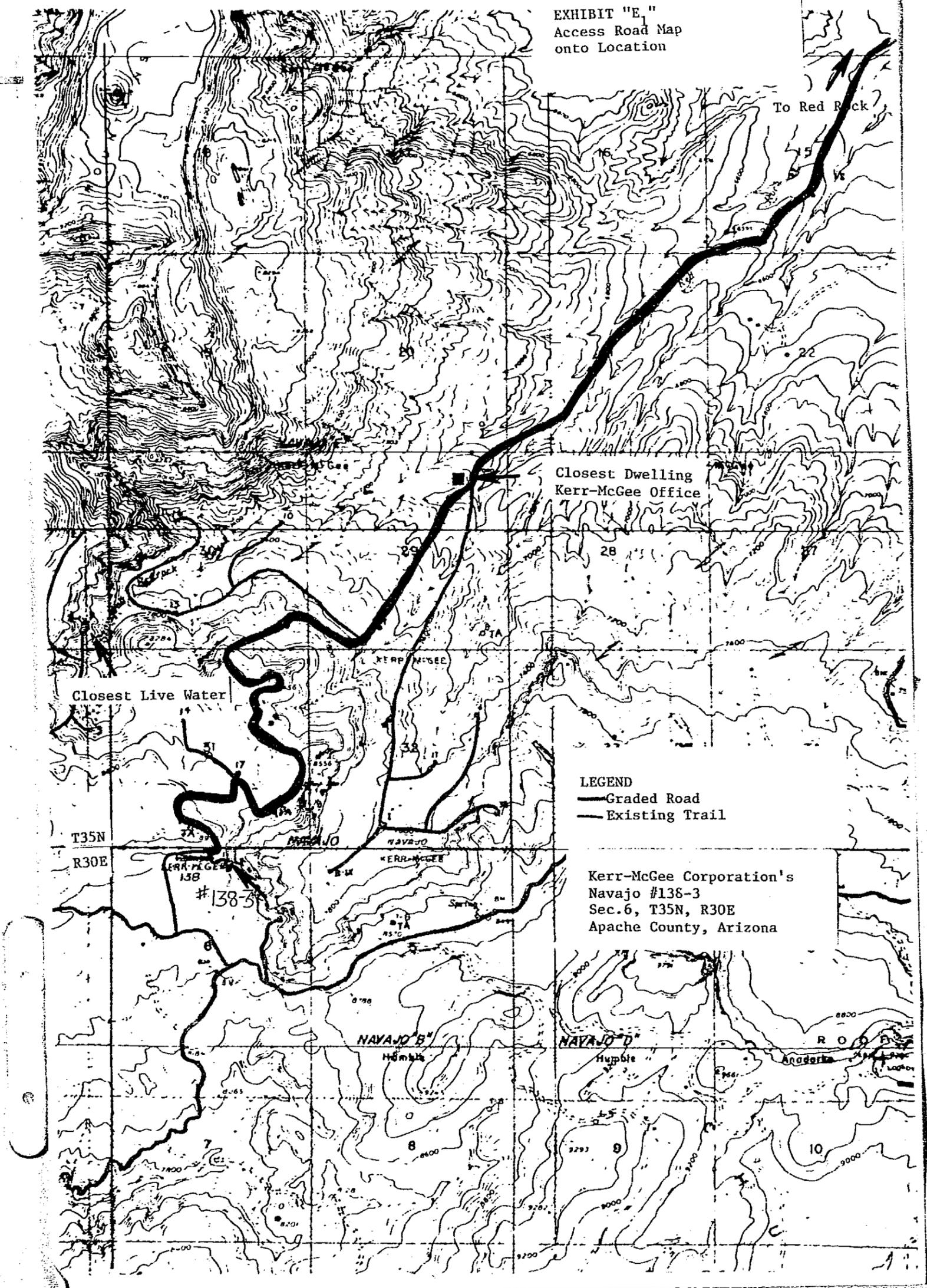
Date

3/9/81

C. Alan Roberts
C. Alan Roberts
District Manager
Southwest District - N. A.

CAR/sm

EXHIBIT "E,"
Access Road Map
onto Location



Closest Live Water

Closest Dwelling
Kerr-McGee Office

To Red Rock

LEGEND
 — Graded Road
 — Existing Trail

Kerr-McGee Corporation's
 Navajo #138-3
 Sec. 6, T35N, R30E
 Apache County, Arizona

T35N
R30E

#138-3

NAVAJO B
Humble

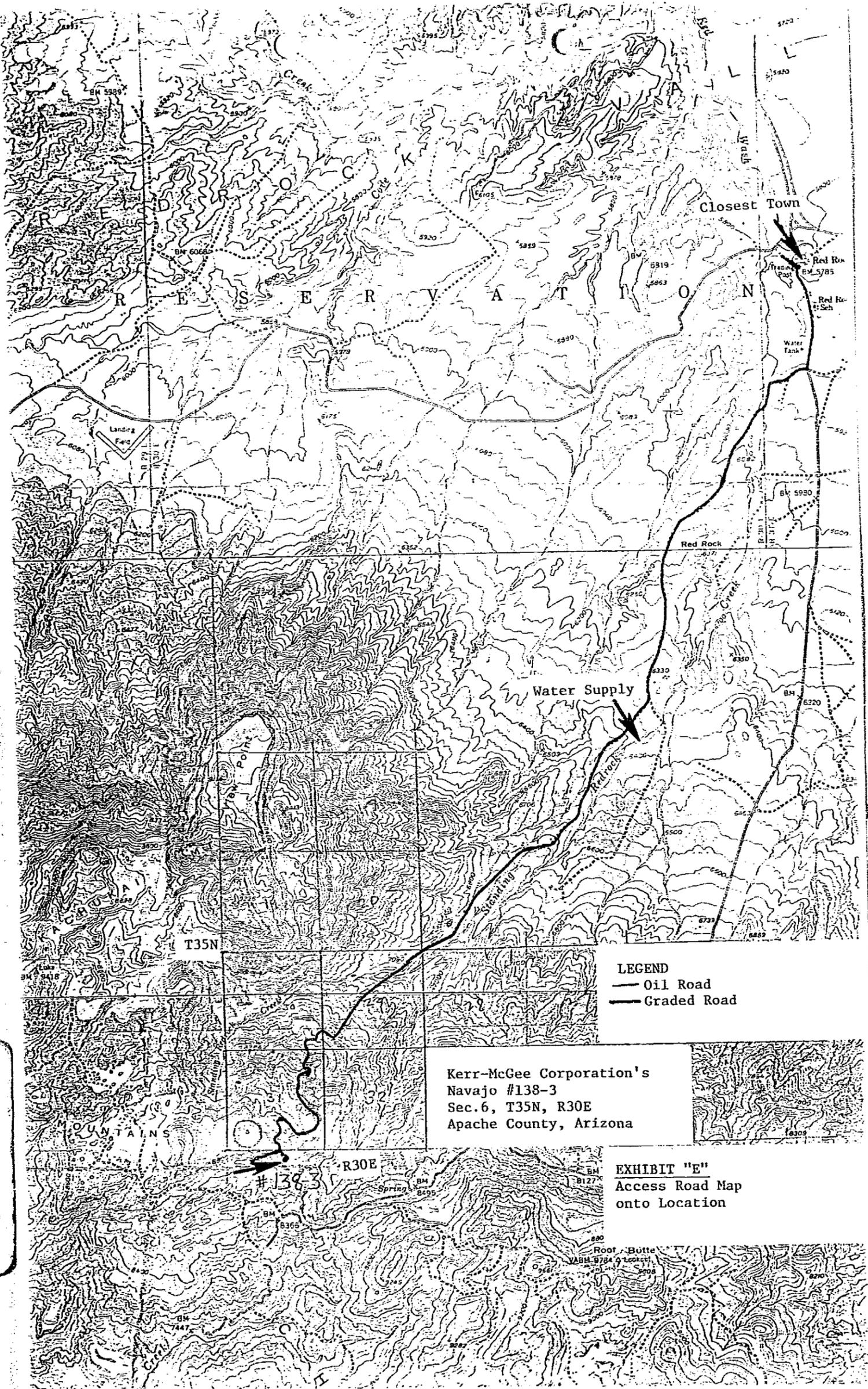
NAVAJO D
Humble

ROD

6

9

10



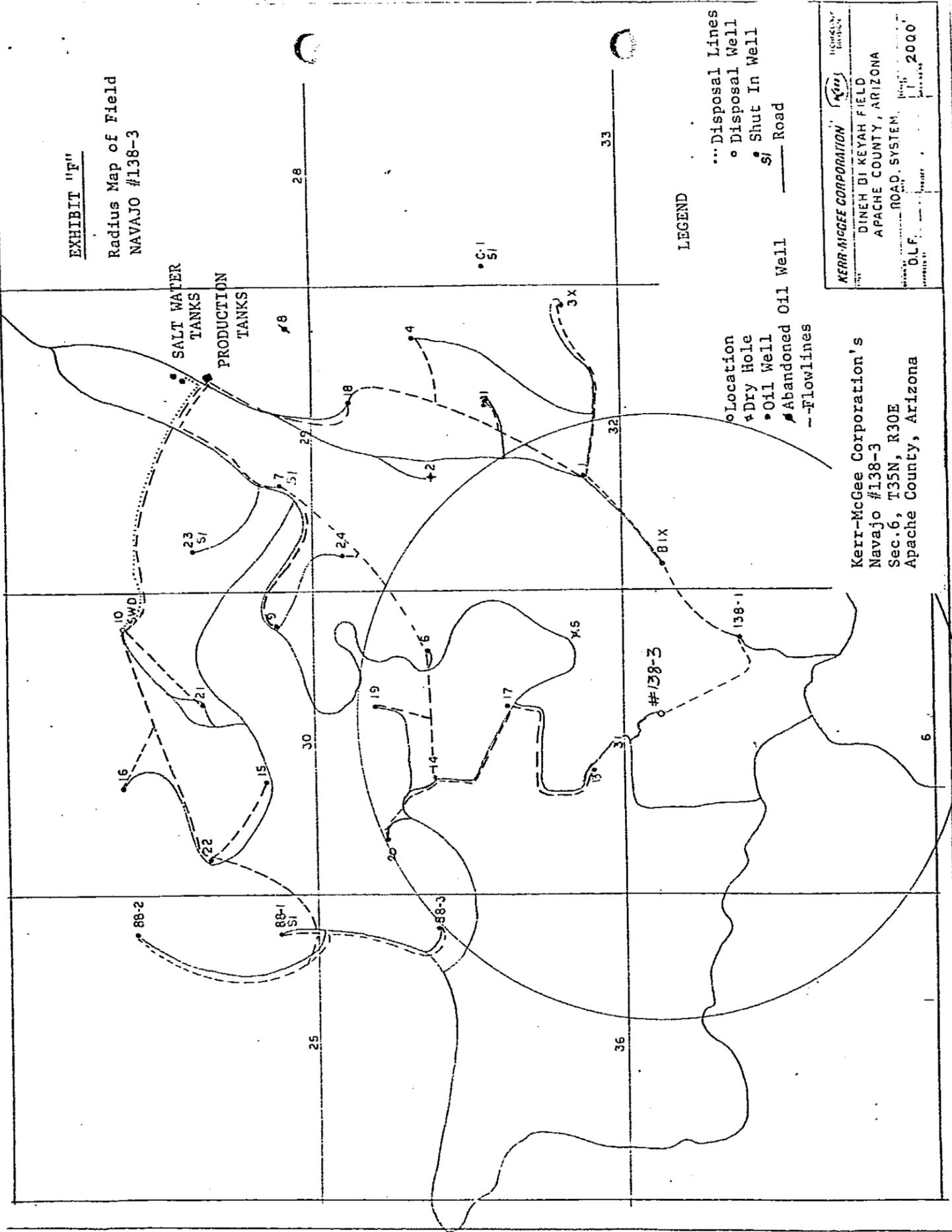
LEGEND
— Oil Road
— Graded Road

Kerr-McGee Corporation's
Navajo #138-3
Sec. 6, T35N, R30E
Apache County, Arizona

EXHIBIT "E"
Access Road Map
onto Location

EXHIBIT "F"

Radius Map of Field
NAVAJO #138-3



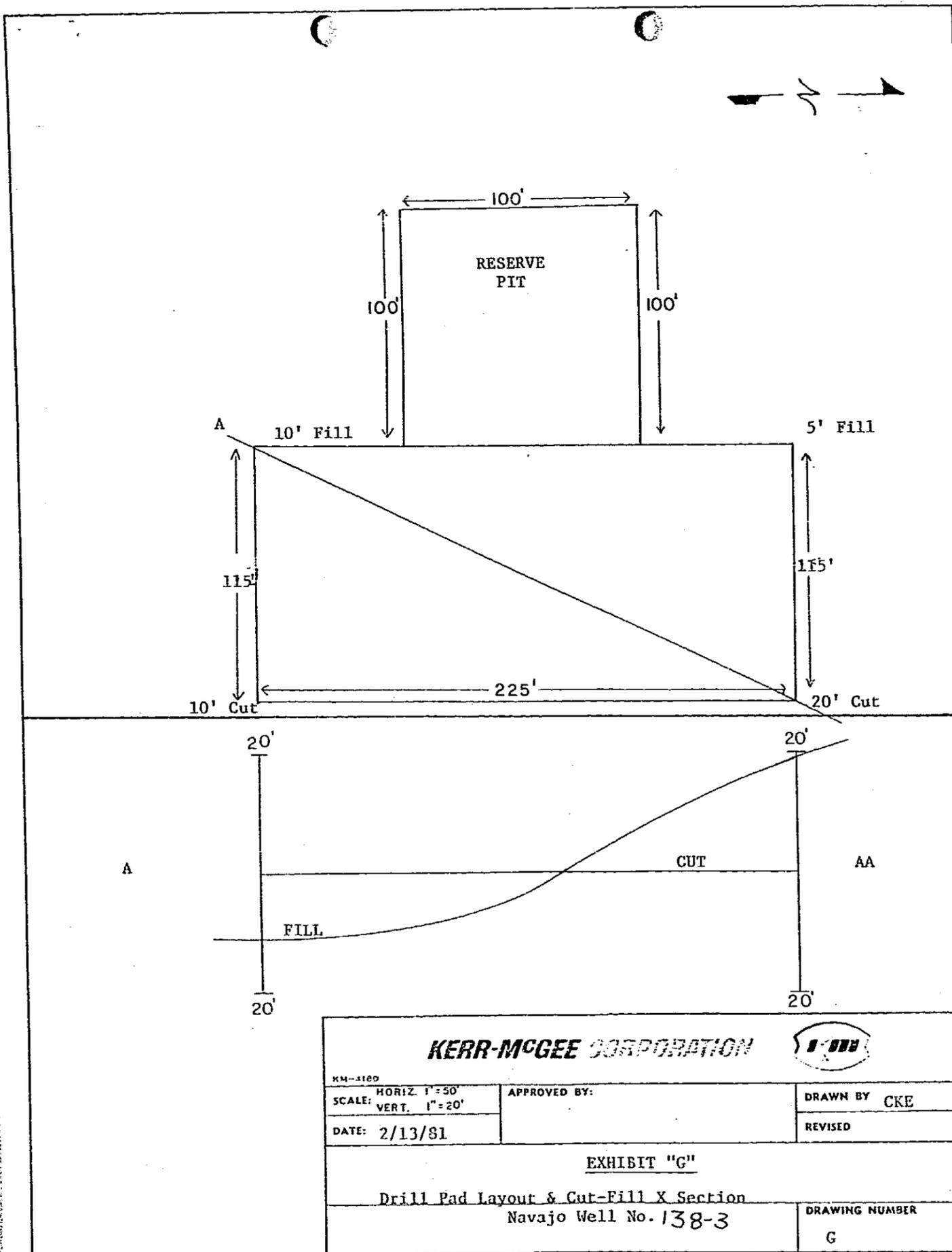
LEGEND

- Disposal Lines
- o Disposal Well
- Shut In Well
- Oil Well
- Abandoned Oil Well
- Road

- o Location
- ▲ Dry Hole
- Oil Well
- Flowlines

KERR-MCGEE CORPORATION
DINEH BI KEVAH FIELD
APACHE COUNTY, ARIZONA
D.L.F. 2000'

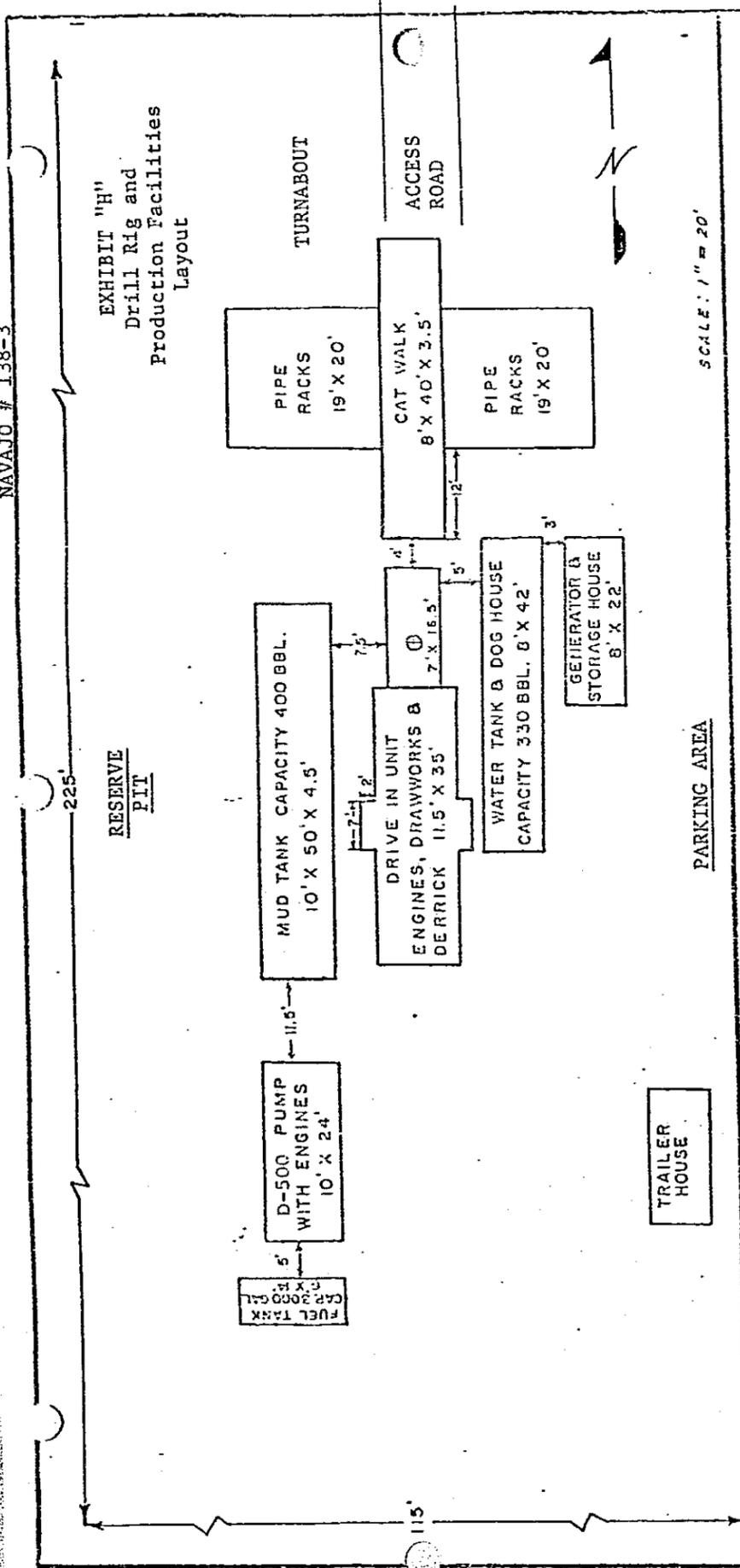
Kerr-McGee Corporation's
Navajo #138-3
Sec. 6, T35N, R30E
Apache County, Arizona



KERR-MCGEE CORPORATION		
<small>KM-5180</small>		
<small>SCALE: HORIZ. 1" = 50'</small>	<small>APPROVED BY:</small>	<small>DRAWN BY CKE</small>
<small>VERT. 1" = 20'</small>		<small>REVISED</small>
<small>DATE: 2/13/81</small>	EXHIBIT "G"	
Drill Pad Layout & Cut-Fill X Section		
Navajo Well No. 138-3		<small>DRAWING NUMBER</small>
		G

NAVAJO # 138-3

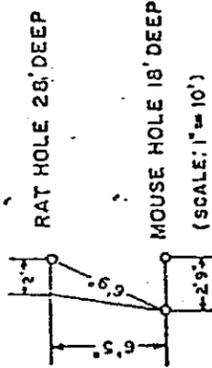
EXHIBIT "H"
Drill Rig and
Production Facilities
Layout



RIG NO. 70

- (1) GROUND LEVEL TO BOTTOM OF ROTARY BEAMS : 7 FEET — 4 INCHES
- (2) GROUND LEVEL TO TOP OF ROTARY TABLE : 9 FEET
- (3) RECOMMENDED LOCATION SIZE : 225 FEET X 115 FEET
100 FEET FROM CENTER OF HOLE TO FRONT
125 FEET FROM CENTER OF HOLE TO BACK
24 FEET FROM CENTER OF HOLE TO RESERVE PIT
75 FEET FROM CENTER OF HOLE TO EDGE
MUD TANK IS BURIED 18 INCHES BELOW GROUND LEVEL
- (4) ABOVE LAYOUT IS SUGGESTED, HOWEVER EQUIPMENT CAN BE REARRANGED TO FIT TIGHT LOCATIONS.

RAT & MOUSE HOLE DETAIL



Project No. 92-80

Federal Antiquities Permit
79-NM-178
Navajo Nation #46

EXHIBIT "I"

An Archaeological Survey of
6 Oil Wells and Associated Access Roads
Apache County, Arizona

for

Kerr McGee

Locations

Kerr McGee #88-6 Navajo
Kerr McGee Navajo #27
Kerr McGee #25 Navajo
Kerr McGee Navajo 88-5
Kerr McGee #3 Navajo 138
Kerr McGee #26 Navajo

by

Margaret A. Powers
Supervisory Archaeologist

Submitted by
Margaret A. Powers
Principal Investigator

DIVISION OF CONSERVATION ARCHAEOLOGY

Contributions to Anthropology Series, No. 326
San Juan County Archaeological Research Center and Library

December 15, 1980

ABSTRACT

On December 12, 1980, the Division of Conservation Archaeology of the San Juan County Museum Association completed an archaeological survey of six oil wells and associated access roads for Kerr McGee. The survey area is located on the Navajo Reservation, Apache County, Arizona in the Chuska Mountains and is under the jurisdiction of the Bureau of Indian Affairs and the Navajo Nation. Only isolated artifacts of recent origin were located. Since these have minimal research potential and have been documented during the survey, clearance is recommended for all locations except Kerr McGee #26 Navajo which had excessive snow cover and could not be inspected.

INTRODUCTION

On December 12, 1980, the Division of Conservation Archaeology (DCA) of the San Juan County Museum Association conducted an archaeological survey for Kerr McGee. Mr. Victor Eaton of Atchison Construction requested the survey on December 4, 1980. Margaret A. Powers administered the project for DCA; Mr. Eaton administered the project for Kerr McGee.

In recognition of the limited, nonrenewable nature of archaeological remains, federal and state governments have enacted legislation that is designed to conserve and protect these resources. The principal federal legislation includes the Antiquities Act of 1906 (PL 52-209), the Historic Preservation Act of 1966 (PL 89-665), the National Environmental Policy Act of 1969 (PL 91-852), the 1971 Executive Order No. 11593, the Archaeological and Historical Conservation Act of 1974 (PL 93-291), and the Archaeological Act of 1979 (PL 96-95).

In addition, the states of Arizona, New Mexico, Utah, and Colorado have enacted laws to ensure compliance with federal legislation and to protect archaeological resources within their jurisdiction. Work undertaken in the course of this project is governed by the stipulations of Navajo Nation Permit #46 and Federal Antiquities Permit No. 79-NM-178 and is for purposes of compliance with these statutes.

Margaret A. Powers, DCA archaeologist, surveyed the project area for cultural remains. Dr. David Doyel, Director of the Navajo Cultural Resources Program and Dr. Barry Holt, Bureau of Indian Affairs Navajo Area Archaeologist were notified of the survey schedule prior to beginning fieldwork. The following persons were present during the field inspection: Mr. James O'Leary of Kerr McGee, Mr. Vic Eaton of Atchison Construction, and Mr. Ron Milford and Mr. Dave Bahe of the BIA Forestry Office in Fort Defiance, Arizona.

METHODS

The area was surveyed by inspecting all snow-free patches on each pad, access road and buffer zone or by using zig-zag parallel transects spaced approximately 20m apart where snow cover was minimal. A buffer zone of 50 feet was surveyed around each pad and of 35' on each side of the proposed access roads. The archaeologist recorded all cultural remains. Those whose information potential exceeded what could be extracted during the survey phase were assigned site status. Other cultural remains were documented as isolated loci (IL). Pertinent environmental data were also recorded.

In addition to field inspection, the archaeologist conducted a search of the records at the San Juan County Archaeological Research Center and Library to determine if any sites had been

previously recorded in the project area.

The Environment

All proposed developments are situated on the northeastern flanks of the Chuska Mountains in the headwaters of Standing Red Rock Creek. Much of the survey area is on steeply sloping terrain. The vegetation consists of mixed forest species, predominantly Ponderosa pine (Pinus ponderosa), Douglas fir (Pseudotsuga menziesii), and aspen (Populus tremuloides). The understory is dominated by snowberry (Symphoricarpos spp.). The surface is typical of forest zones, a thick layer of matted needles and leaves, partially decayed to form a dark humic layer. Fallen trees criss-cross the forest floor and form "thickets" many square meters in area. Logging activities are evident throughout the forest in the form of logging trails and sawn tree stumps. Deer, rabbit, squirrel, and porcupine signs were found in the survey areas.

PROJECT AREAS

Kerr McGee #88-6 Navajo

Legal Description: 2000' F/SL, 1690' F/EL, Section 25, T36N, R29E, Salt-Gila, Apache County, Arizona

UTM Coordinates: Zone 12, 4040450N, 663850E, (center stake)

Map Source: U.S.G.S. 15' Lukachukai, Arizona (1955)

Land Jurisdiction: Navajo Nation, Bureau of Indian Affairs

Project Area: 300' X 300' (pad)
30' X ca. 600' (road), 2.5 acres

Description: The pad lies on an east facing slope of approximately 80°, rising more steeply to the west. The access road leaves the pad on the east side and runs southeast to join an existing bladed road. Snow on the access road was patchy with about 30% coverage. The east half of the pad was snow covered by approximately 60% of the area but the west half had no more than 10% snow cover.

Cultural Resources: No artifact scatters were detected in the aspen area. No structural remains are present. Isolated artifacts may have been obscured by the patches of snow.

Recommendation: Because no significant cultural resources were evident, DCA recommends archaeological clearance.

Kerr McGee Navajo #27

Legal Description: 600' F/EL, 2260' F/SL, Section 31, T36N, R30E, Salt-Gila, Apache County, Arizona

UTM Coordinates: Zone 12, 4033975N, 663900E, (center stake)

Map Source: U.S.G.S. 15' Lukachukai, Arizona (1955)

Land Jurisdiction: Navajo Nation, Bureau of Indian Affairs

Project Area: 300' X 300' (pad)
30' X ca. 800' (road), 2.6 acres

Description: The proposed well is located in a heavily wooded area with occasional rock outcrops. There is a knoll to the southeast of the well pad and the terrain drops steeply to the south of the pad. The access road leaves the pad on the northwest side and circles around to the southeast to join an existing graded road. Snow cover over the area was patchy, covering 30 to 40% of the project area.

Cultural Resources: No artifacts were evident in the patches of ground that were not snow covered. Some isolates may have been missed in the survey but no large sites or structural remains were present. A few carvings of dates (1969-1974) and the phase "Red Rock Property" were cut into the bark of some aspens.

Recommendation: Because of the absence of significant cultural remains, DCA recommends archaeological clearance.

Kerr McGee #25 Navajo

Legal Description: 1140' F/NL, 2090' F/WL, Section 31, T36N, R30E,
Salt-Gila, Apache County, Arizona

UTM Coordinates: Zone 12, 4039475N, 665075E, (center stake)

Map Source: U.S.G.S. 15' Lukachukai, Arizona-New Mexico (1955)

Land Jurisdiction: Navajo Nation, Bureau of Indian Affairs

Project Area: 300' X 300' (pad)
30' X 400' (road), 2.3 acres

Description: The proposed pad is located on a northeast facing slope that overlooks a canyon in the Standing Red Rock drainage. The gradient is gentler to the southeast where the access road departs. The access road runs southeast partially along a logging trail to intersect on existing bladed road. Snow cover was approximately 20%, with slightly heavier snow on the northeast corner of the pad.

Cultural Resources: One tire segment and one aluminum pop-top soda can were noted along the access road. Although snow may have obscured isolated artifacts, significant artifact scatters or structural remains would have been evident if present.

Recommendation: Since no significant cultural remains were present, archaeological clearance is recommended.

Kerr McGee Navajo 88-5

Legal Description: 580' F/EL, 1000' F/NL, Section 36, T36N, R29E,
Salt-Gila, Apache County, Arizona

UTM Coordinates: Zone 12, 4039500N, 665800E (center stake)

Map Source: U.S.G.S. 15' Lukachukai, Arizona (1955)

Land Jurisdiction: Navajo Nation, Bureau of Indian Affairs

Project Area: 300' X 300' (pad)
30' X 1200' (road), 2.9 acres

Description: The proposed pad sits on a small saddle amid steep slopes. The access road leaves the pad and runs northeast on a steep wooded slope to a former tank battery. The road then sitchbacks and runs southeast on a previously graded road through "sugar" sand up a steep grade to join an existing graded road. Snow cover on the access road and pad was approximately 20% with slightly higher coverage on the northeast corner of the pad, perhaps as much as 40%.

Cultural Resources: No structural remains or artifact scatters were evident, nor are any likely given the steepness of the terrain. No isolates were noted but they could easily have been missed because of the patchy snow cover.

Recommendation: Because of the absence of significant cultural remains, DCA recommends clearance.

Kerr McGee #3 Navajo 138

Legal Description: 600' F/NL, 2200' F/EL, Section 6, T35N, R30E,
Salt-Gila, Apache County, Arizona

UTM Coordinates: Zone 12, 4038050N, 665375E, (Center Stake)

Map Source: U.S.G.S. 15' Lukachukai, Arizona (1955)

Land Jurisdiction: Navajo Nation, Bureau of Indian Affairs

Project Area: 300' X 300' (pad)
30' X 600' (road), 2.5 acres

Description: The pad is located on a gentle westerly slope in an aspen-Ponderosa pine forest. Snow cover was less than 10%. The access road leaves the pad and runs to the west to link up with a logging trail. The logging trail continues west to intersect an existing bladed road.

Cultural Resources: Two rusted soda cans with church key openings were found west and northwest of the center stake. They are probably associated with logging activities.

Recommendation: Because of the absence of significant cultural remains, archaeological clearance is recommended.

Kerr McGee #26 Navajo

Legal Description: 2100' F/SL, 800' F/WL, Section 31, T36N, R30E,
Salt-Gila, Apache County, Arizona

UTM Coordinates: Zone 12, 4038875N, 664675E (center stake)

Map Source: U.S.G.S. 15' Lukachukai, Arizona-New Mexico (1955)

Land Jurisdiction: Navajo Nation, Bureau of Indian Affairs

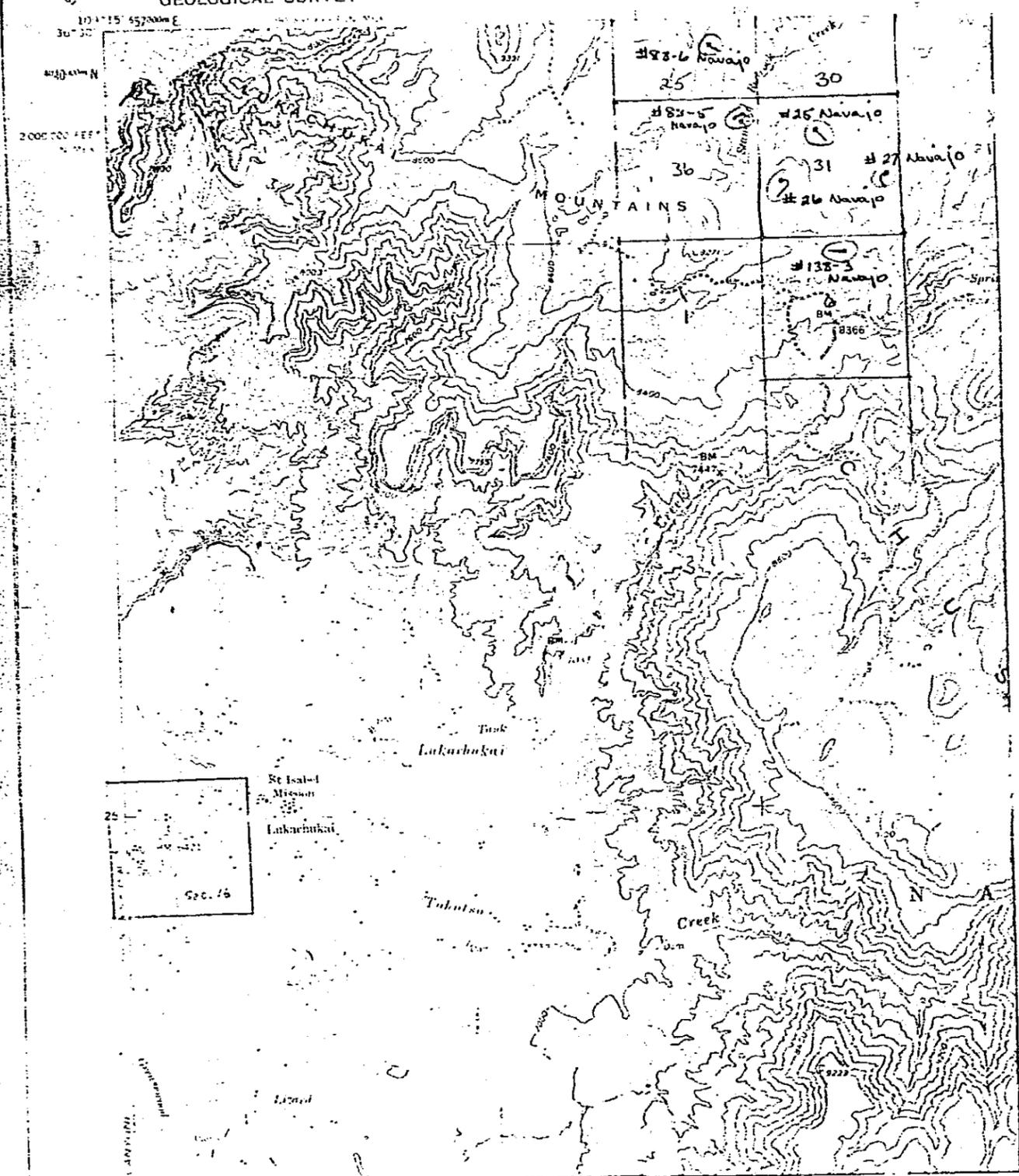
Project Area: 300' x 300' (pad)
30' x 900' (road), 2.9 acres

Description: The well pad is situated in a gently sloping and rolling area of a large level bench below the mountain crest. The terrain drops steeply to north and east. The access road leaves the pad to the east and bends back to the south along a logging trail before descending a slope to the west to join an existing bladed road. Snow cover on the pad and on the first 300 feet of access road leaving the pad exceeded 70% in unbroken cover. The remainder of the access road exhibited no more than 20% patchy snow cover.

Cultural Resources: One broken chain saw guard probably from past logging was found along the access road. No other cultural remains were noted.

Recommendation: Because of the unbroken and extensive snow cover on the pad and first 300 feet of access road, an adequate archaeological survey was not possible. Therefore, clearance is not recommended at this time. The remainder of the access road was free of cultural remains and archaeological clearance is recommended.

DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



USGS 15' LUKACHUKAI QUADRANGLE,
ARIZONA-NEW MEXICO (1955), T35 & 36N,
R29 & 30E

Navajo Permit #46
Federal Antiquities
Permit #81-NV/WT/AZ-025

Addendum to

An Archaeological Survey of
6 Oil Wells and Associated Access Roads,
Apache County, Arizona for Kerr McGee

by

Margaret A. Powers

On January 15, 1981, the Division of Conservation Archaeology (DCA) resurveyed 4 proposed well locations for Kerr McGee in the Red Rock/Lukachukai area of Arizona. The original survey on December 12, 1980 (NPS File No DCA-80-431) documented snow cover of greater than 10 percent and at the request of Dr. Terje Birkedal, five of the six were scheduled to be reexamined. The sixth was within the 10% limit. Plans to develop Navajo #3-5 have been dropped since the initial survey and this location was not resurveyed. All of the four other locations had snow cover levels of 10% or less on January 15, 1981. The results of the resurvey are described below.

- #27 Navajo - Cultural remains consists of 1 all-aluminum lemon soda can (initially recommended for clearance)
- #28-5 Navajo - No cultural remains (initially recommended for clearance)
- #25 Navajo - No cultural remains (initially recommended for clearance)
- #26 Navajo - One site DCA-81-22, a modern Navajo construction, was located 33m northeast of the well stake. The site was flagged for avoidance. (resurvey was initially advised)

DCA-81-22 consists of a small sweathouse-like structure with an entry oriented to 70° (MN). The structure has a maximum exterior basal diameter of 1.3m and stands only 60cm high. The structure is constructed of about 30 slanting limbs, probably deadfall, forming a cone. The entry is framed with poles and is about 25cm wide and 40cm high, with two short branches attached with baling wire to form a lintel.

Approximately 75cm to the north of the sweat house is a pile of sooted sandstone chunks and charcoal forming a mound about 1.5 in diameter and 30cm high.

One coffee can lid lies about 3m east of the structure.

The arrangement of the features parallels that of full-size sweathouse patterns but the conical structure is too small even for me, at 5'0", to sit upright in. I could have curled up in it, however, once I squeezed through the entrance. There would be no room to place hot rocks without scorching oneself.

The condition of the baling wire suggests that at the outside the structure is no more than twenty years old and is probably only about 5 years old.

According to Mr. Claude Hatch, Navajos sometimes build small features like that described above to shelter a dog during cold weather. The scorched rock and charcoal might be remnants of an horno although no indications of its form remain. If the site does consist of a doghouse and a cooking facility, it may be all that remains of a fall or spring campsite.

The small size of the structure, particularly its height and restricted floor area, together with Mr. Hatch's observation that rocks are usually left inside a sweat lodge and that the structure must be large enough to permit a person to sit or squat at least one or two feet from the hot rock pile, indicates that the feature did not function as a sweathouse despite the proximity of the rock pile.

The site was marked with white flagging tape so that it could be avoided during construction. If it is not possible to avoid the site, DCA recommends that prior to construction an ethnographer and informant visit the site to obtain a better functional assessment.

With these stipulations DCA recommends archaeological clearance for all four locations.

EXHIBIT "J"

REHABILITATION PLAN

Lease No.: 14-20-0603-8876; Well Name and No.: Navajo #138-3;
Location: 600' ENL & 2200' FEL, Sec. 6, T. 35 N., R. 30

Kerr-McGee Corporation intends to drill a well on surface owned by Navajo (Tribal Lands) B.I.A.. The lessee/operator agree to complete the following rehabilitation work if the well is a producer:

- Yes No Maintain access road and provide adequate drainage to road.
 Yes No Reshape and reseed any area not needed for maintenance of the pump and support facilities.

Other requirements: _____

The following work will be completed when the well is abandoned:

- Yes No Pit will be fenced until dry, then filled to conform to surrounding topography.
 Yes No Water bars will be constructed as deemed necessary.
 Yes No Site will require reshaping to conform to surrounding topography.
 Yes No Entire disturbed area will be reseeded. If yes, the following seed mixture will be used:
B.I.A. Mixture
 Yes No Access road will be closed, rehabilitated and reseeded using the same seed mixture as above.
 Yes No Access road will remain for surface owner's use.
 Yes No Water bars will be constructed on the access road as deemed necessary.

Other requirements: _____

Surface Owner:

Name: B.I.A.
Address: _____
City: Window Rock
State: Arizona
Telephone: _____
Date: March 6, 1981

Operator/Lessee

Name: Kerr-McGee Corporation
Address: P. O. Box 250
City: Amarillo
State: Texas
Telephone: 806/359-0351
Date: March 6, 1981

I CERTIFY rehabilitation has been discussed with me, the surface owner:

N/A
(Surface owner's signature)

This plan covers rehabilitation requirements only and does not affect any other agreements between the lessee/operator and surface owner.

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

RECEIVED

MAR 11 1981

APPLICATION TO DRILL

RE-ENTER OLD WELL

O & G CONS. COMM.

Kerr-McGee Corporation
NAME OF COMPANY OR OPERATOR

P.O. Box 250 Amarillo TX 79189
Address City State

Brinkerhoff Signal, Inc.
Drilling Contractor

3400 Anaconda Tower, Denver, CO 80202
Address

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor	Well number	Elevation (ground)
<u>14-20-0603-8876 Navajo Tract 138</u>	<u>3</u>	<u>8550 ungraded ground</u>
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:	
<u>600 feet</u>	<u>1910 feet</u>	
Number of acres in lease:	Number of wells on lease, including this well, completed in or drilling to this reservoir:	
<u>615</u>	<u>2 (1 prod., 1 P&A)</u>	
If lease, purchased with one or more wells drilled, from whom purchased:	Name	Address
	<u>Humble Oil & Refining Co.</u>	<u>P.O. Box 120 Denver, CO 80201</u>
Well location (give footage from section lines)	Section--township--range or block and survey	Dedication (Comply with Rule 105)
<u>600' FNL & 2200' FEL</u>	<u>Sec. 6, T35N, R30E</u>	<u>NW NE 1/4</u>
Field and reservoir (if wildcat, so state)	County	
<u>Dineh-bi-Keyah</u>	<u>Apache</u>	
Distance, in miles, and direction from nearest town or post office		
<u>13.5 miles Southwest from Red Rock, Arizona</u>		
Proposed depth:	Rotary or cable tools	Approx. date work will start
<u>4100'</u>	<u>Rotary</u>	<u>May 1, 1981</u>
Bond Status	Organization Report	Filing Fee of \$25.00
<u>Blanket Bond</u>	On file <input checked="" type="checkbox"/> Or attached	Attached Yes; Check No. <u>104616</u>

Remarks:

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Engineering Assistant of the Kerr-McGee 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.

Kelley Lisenberg
Signature

February 26, 1981
Date

Permit Number: 723
Approval Date: March 11, 1981
Approved By: [Signature]

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

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

- 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
- If the answer to question four is "no," have the interests of all the owners been consolidated by consolidation agreement or otherwise? YES NO If answer is "yes," Type of Consolidation: _____
- If the answer to question four is "no," list all the owners and their respective interests below:

Owner	Land Description

		<p align="center">CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p><i>Kelley Eisenberg</i> Name</p> <p>Kelley Eisenberg Position</p> <p>Engineering Assistant Company</p> <p>Kerr-McGee Corporation Date</p> <p>February 26, 1981</p>
		<p>I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p>
<p>Date Surveyed December 4, 1980</p> <p>Registered Professional Engineer and/or Land Surveyor</p>		
<p>See attached surveyor plat Certificate No. 3950</p>		

PROPOSED CASING PROGRAM

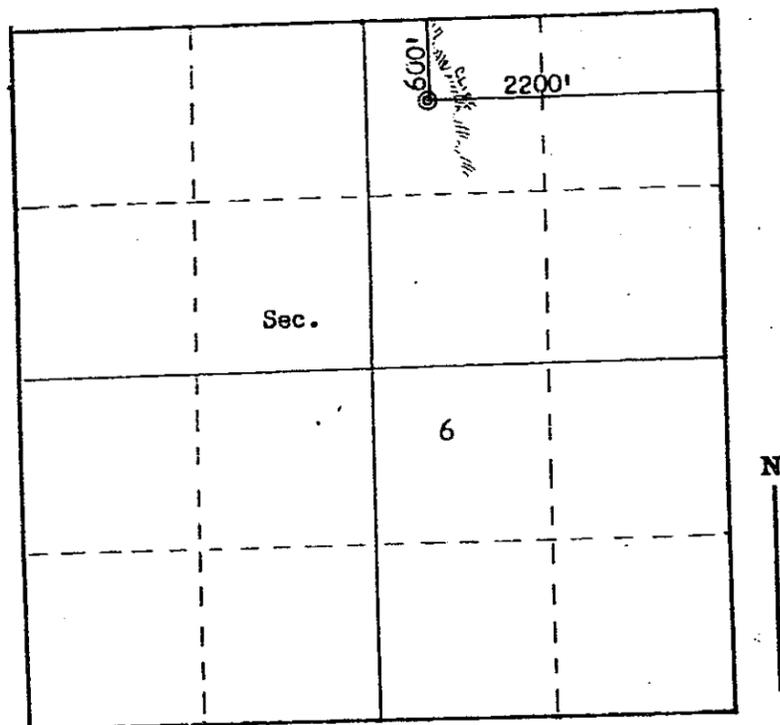
Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement
20"	94#/ft	H-40 ST&C	Surf.	100'	100'	12 yds.
8 5/8"	24#/ft	K-55 ST&C	Surf.	400'	400'	300 sx.
5 1/2"	14#/ft	K-55 ST&C	Surf.	4100'	4100'	300 sx.

RECEIVED

MAR 11 1981

O & G CONS. COMM.

COMPANY KERR-MCGEE CORPORATION
LEASE NAVAJO WELL NO. 138-3
SEC. 6, T. 35N, R. 30E
APACHE COUNTY, ARIZONA
LOCATION 600'FNL 2200'FEL
ELEVATION 8550 ungraded ground



SCALE—4 INCHES EQUALS 1 MILE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTE OF ACTUAL SURVEYS MADE BY ME UNDER MY SUPER-
VISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

Fred B. Kerr Jr.
Fred B. Kerr Jr.

SEAL:

Registered Land Surveyor.

#3950

SURVEYED December 4, 1980

FARMINGTON, N. M.



PERMIT TO DRILL

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

To: KERR-MCGEE CORPORATION
(OPERATOR)

to drill a well to be known as

NAVAJO 138-3
(WELL NAME)

located 600' FROM NORTH LINE & 2200' FROM EAST LINE (NW/4 NE/4)

Section 6 Township 35 NORTH Range 30 EAST, APACHE County, Arizona.

The NW NE 1/4 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 March, 19 1981

PRIOR TO BEING ALLOWED TO PRODUCE THIS WELL
YOU MUST BE IN FULL COMPLIANCE WITH A.R.S. 10-105,
SECTION A THROUGH (D), WITH RESPECT
TO THE PRODUCT TO BE PRODUCED.

OIL AND GAS CONSERVATION COMMISSION

By [Signature]
EXECUTIVE SECRETARY

PERMIT No 723

RECEIPT NO. 2014
API NO. 02-001-20253

State of Arizona
Oil & Gas Conservation Commission
Permit to Drill

FORM NO. 27

TEN FOOT SAMPLES ARE REQUIRED FROM SURFACE

DINEH-BI-KEYAH FIELD

Operator: Mountain States Petroleum Corporation

Bond Company: Indian lands, evidence of bond posted with BIA

Amount: \$325,000*

Bond No.: Letter of Credit Bond No. 315 **Date approved:** 5/27/94

* Pursuant to commission motion of October 31, 1997, no bond required with State of Arizona upon evidence of bond posted with the BIA.

Permits covered by this bond posted with the BIA:

<u>377</u>	<u>445</u>
<u>384</u>	<u>446</u>
<u>385</u>	<u>484</u>
<u>386</u>	<u>506</u>
<u>388</u>	<u>618</u>
<u>389</u>	<u>691</u>
<u>390</u>	<u>692</u>
<u>396</u>	<u>693</u>
<u>416</u>	<u>695</u>
<u>417</u>	<u>696</u>
<u>419</u>	<u>719</u>
<u>421</u>	<u>720</u>
<u>422</u>	<u>721</u>
<u>431</u>	<u>722</u>
<u>443</u>	<u>723</u> ✓

P. O. BOX 1936

505 623-7184

MOUNTAIN STATES PETROLEUM CORPORATION

213 EAST FOURTH STREET
ROSWELL, NEW MEXICO
88202

November 7, 1997

Mr. Steve Rauzi
Arizona Geological Society
416 West Congress, Suite 100
Tucson, AZ 87701

Dear Steve,

Enclosed please find a copy of our Irrevocable Letter of Credit from the Bank of the Southwest in Roswell.

If we can be of any further assistance to you, please do not hesitate to contact us.

Sincerely yours,

MOUNTAIN STATES PETROLEUM

Paul Slayton

Paul Slayton

PS/ja

Enclosure



IN REPLY REFER TO:
ARES/543

United States Department of the Interior



BUREAU OF INDIAN AFFAIRS
Navajo Area Office
P. O. Box 1060
Gallup, New Mexico 87305-1060

JUN 03 1994

Mr. Paul Slayton
Mountain States Petroleum Corporation
P. O. Box 1936
Roswell, New Mexico 88201-1936

Dear Mr. Slayton:

Enclosed for your information is a copy of the Irrevocable Letter of Credit Bond No. 315 for \$325,000.00, which is approved May 27, 1994. The original copy will be file in our office.

If you have any questions, you may contact Ms. Bertha Spencer, Realty Specialist at (602) 871-5151, extension 5332.

Sincerely,

ACTING Area Director

Enclosure

D.B.K.

principal or surety. The principal and surety agree that the Letter of Credit shall extend to and include all extensions and renewals of the lease/permit/agreement covered by this Letter of Credit, such coverage to continue without interruption due to the expiration of the term set forth therein.

The surety hereby waive any right to notice of any modification of any lease/permit/agreement, or obligation thereunder whether effected by extension of time for performance, by commitment of such lease to unit, cooperative, or communitization agreement, by waiver, suspension, or change in rental, by minimum royalty payment, by compensatory royalty payment, or other wise, this Letter of Credit to remain in full force and effect notwithstanding.

The principal and surety agree that the neglect or forbearance of any obligee under this Letter of Credit in enforcing the payment of any obligations or the performance of any other covenant, condition, or agreement of any such lease/permit/agreement shall not in any way release the principal and surety, or either of them, from any liability under this Letter of Credit.

The original signed Letter of Credit will be presented to the Bank by the Bureau of Indian Affairs, along with any draft presented pursuant to this Letter of Credit, and will be surrendered to the bank with any draft which draws the full amount, or the balance remaining available, under the Letter of Credit.

PROVIDED, that in the event supervision over all the tracts to which this bond applies is relinquished by the Secretary of the Interior and the lessee/permittee/assignee/operator/contractor shall have made all payments then due under the agreement and shall have fully performed all obligations on their part to be performed up to the time of relinquishment of supervision, the liability of this bond shall be of no further force and effect.

PROVIDED, that in the event supervision over all the tracts to which this bond applies is relinquished by the Secretary of the Interior and the lessee/permittee/assignee/operator/contractor shall have made all payments then due under the agreement and shall have fully performed all obligations on their part to be performed up to the time of relinquishment of supervision, the liability of this bond shall be of no further force and effect.

IN PRESENCE OF:

WITNESS	INDIVIDUAL PRINCIPAL
1. _____ as to _____	(SEAL)
2. _____ as to _____	(SEAL)
3. _____ as to _____	(SEAL)
4. _____ as to _____	(SEAL)

WITNESS	INDIVIDUAL BANK OR SURETY
1. _____ as to _____	(SEAL)
2. _____ as to _____	(SEAL)

Attest:

Judy Buskhest
SECRETARY

Corporate Principal MOUNTAIN STATES PETROLEUM INC.
213 E. 4TH, ROSWELL, NM 88201

Business Address
Scott Slayton
By
PRESIDENT Affix Corporate Seal
Title

Attest:

[Signature]
SENIOR VICE PRESIDENT

Corporate Surety
BANK OF THE SOUTHWEST
226 N. MAIN, ROSWELL, NM 88201
Business Address
[Signature]
By
PRESIDENT Affix Corporate Seal
Title

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

APPROVED: Pursuant to Secretarial Redlegation
Order 209 DM 8, Secretary's
Order No. 3150, as amended,
and 10 BIAM Bulletin 13, as
amended.

May 27, 1994
Lenni Dentson
AREA DIRECTOR.

ACTING ASSISTANT

ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual
Mountain States Petroleum Corporation
 Mailing Address and Phone Number
P.O. Box 51166, Amarillo, TX 79159-1166 (806) 355-5679
 Plan of Organization (State whether organization is a corporation, joint stock association, firm or partnership, or individual)
Corporation
 Purpose of Organization (State type of business in which engaged)
Production of oil and gas
 If a reorganization, give name and address of previous organization

If a foreign corporation give (1) State where incorporated	(2) Name and mailing address of state agent	(3) Date of permit to do business in state
<u>New Mexico</u>		
Principal Officers or Partners (if partnership)	TITLE	MAILING ADDRESS
NAME		
<u>Ken Kelley</u>	<u>President</u>	<u>P.O. Box 51166, Amarillo, TX 79159</u>
<u>Sharon Oeschger</u>	<u>Secretary/Treasurer</u>	<u>P.O. Box 51166, Amarillo, TX 79159</u>

DIRECTORS NAME	MAILING ADDRESS

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

Signature [Signature]
 Date 7/31/2001

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
 Organization Report
 File One Copy
 Form No. 1

Mail completed form to
 Oil and Gas Program Administrator
 Arizona Geological Survey
 416 W. Congress, #100
 Tucson, AZ 85701

ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual

Mountain States Petroleum Corp.

Mailing Address and Phone Number

Post Office Box 1936 Roswell, New Mexico 88202

Plan of Organization (State whether organization is a corporation, joint stock association, firm or partnership, or individual)

Corporation

Purpose of Organization (State type of business in which engaged)

If a reorganization, give name and address of previous organization

If a foreign corporation, give (1) State where incorporated	(2) Name and mailing address of state agent	(3) Date of permit to do business in state
	TITLE	MAILING ADDRESS
Principal Officers or Partners (if partnership)		
NAME		
<u>Scott Slayton</u>	<u>President</u>	<u>2505 No. Fir Roswell, N M 88201</u>
<u>Ruby Wickersham</u>	<u>Secretary</u>	<u>3209 Encanto Dr. Roswell, N M 88201</u>
<u>Paul Slayton</u>	<u>Consultant</u>	<u>Post Office Box 2035 Roswell, N M 88202</u>

DIRECTORS NAME	MAILING ADDRESS
<u>Paul Slayton</u>	<u>P O Bx 2035, Roswell, N M 88202</u>
<u>Patricia Slayton</u>	<u>P O Box 2035 Roswell, N M 88202</u>

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Secretary of the Mountain States Petro. Corp. (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.

Ruby Wickersham
Signature

02-01-00
Date

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Organization Report
File One Copy
Form No. 1



Jane Dee Hull
Governor

State of Arizona
Arizona Geological Survey

416 W. Congress, Suite 100
Tucson, Arizona 85701
(520) 770-3500



Larry D. Fellows
Director and State Geologist

December 1, 1997

Ms. Stacey Roberts
Kerr-McGee Corporation -
P.O. Box 25861
Oklahoma City, OK 73125

723

Re: Kerr-McGee Corporation
\$25,000 Oil Drilling Blanket Bond #2971100-2620
Safeco Insurance Company of America

Dear Ms. Roberts:

Mountain States Petroleum has provided evidence of its bonding with the BIA for the Dineh-bi-Keyah Field in Arizona, and our records show that Kerr-McGee Corporation has no outstanding drilling or plugging obligations in Arizona.

As a result, this letter constitutes written permission by the Oil and Gas Conservation Commission to terminate liability under the referenced bond. A copy of the bond is enclosed for your information.

Please advise if we may be of further service.

Sincerely,

Steven L. Rauzi
Oil & Gas Program Administrator

Enclosure

Operator KERR-McGEE CORPORATION

Bond Company SAFECO INSURANCE COMPANY OF AMERICA Amount \$25,000

Bond No. 2971100-2620 Date Approved FEBRUARY 18, 1994

ACTIVE

Permits covered by this bond:

377	445
384	446
385	484
386	506
388	618
389	691
390	692
396	693
416	695
417	696
419	719
421	720
422	721
431	722
443	723

CANCELLED

DATE

12-1-97



Fife Symington
Governor

State of Arizona
Arizona Geological Survey

845 North Park Avenue, #100
Tucson, Arizona 85719
(602) 882-4795



Larry D. Fellows
Director and State Geologist

February 18, 1994

723

Mr. Mike Coats
Insurance Specialist
Kerr-McGee Corporation
P. O. Box 25861
Oklahoma City, Oklahoma 73125

Re: Approval of blanket performance bond #2971100-2620
Cancellation of blanket performance bond 188 98 10-528

Dear Mr. Coats:

I have enclosed an approved copy (duplicate original) of the referenced blanket performance bond for Kerr McGee Corporation's files. I have also enclosed a list of Kerr McGee Corporation's wells covered by the referenced approved bond.

Referenced blanket performance bond 188 98 10-528 is canceled as of this date.

Please let me know if I can be of additional assistance in this matter.

Sincerely,

Steven L. Rauzi

Steven L. Rauzi
Oil and Gas Program Administrator

Enclosure



KERR-MCGEE CORPORATION

KERR-MCGEE CENTER • OKLAHOMA CITY, OKLAHOMA 73125

February 14, 1994

Mr. Steven L. Rauzi
Oil and Gas Program Administrator
State of Arizona
Arizona Geological Survey
845 North Park Avenue, #100
Tucson, Arizona 85719

Dear Mr. Rauzi:

Enclosed please find Performance Bond #2971100-2620 which it will replace Blanket Bond #188 98 10-528.

Firemen's Insurance Company will be sending a notice of cancellation for blanket bond #188 10-528 to the State of Arizona Oil and Gas Commission.

I trust that this bond will satisfy the State of Arizona's requirements. Should there be any questions, please do let me know.

Sincerely,

Mike Coats
Insurance Specialist

attachments



PERFORMANCE BOND
KNOW ALL MEN BY THESE PRESENTS

Bond Serial No. 2971100-2620

That we: Kerr-McGee Corporation
of the County of Oklahoma in the State of Oklahoma
as principal, and Safeco Insurance Company of America
of Seattle, Washington

AUTHORIZED TO DO BUSINESS WITHIN THE STATE OF ARIZONA.

as surety, are held and firmly bound unto the State of Arizona and the Oil and Gas Conservation Commission, hereinafter referred to as the "Commission", in the penal sum of \$25,000.00 lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The conditions of this obligation are that, whereas the above bounden principal proposes to drill a well or wells for oil, gas or stratigraphic purposes in and upon the following described land situated within the State, to-wit:

Lands covered by oil and gas leases of various dates and periods of duration herefore entered into or may hereafter be entered by principal.

(May be used as blanket bond or for single well)

NOW, THEREFORE, if the above bounden principal shall comply with all the provisions of the Laws of this State and the rules, regulations and orders of the Commission, especially with reference to the requirements of A.R.S. § 27-516, providing for the proper drilling, casing and plugging of said well or wells, and filing with the Oil and Gas Conservation Commission all notices and records required by said Commission, then in the event said well or wells do not produce oil or gas in commercial quantities, or cease to produce oil or gas in commercial quantities, this obligation is void; otherwise it shall remain in full force and effect.

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

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

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

WITNESS our hands and seals, this 19th day of October, 1993.

Kerr-McGee Corporation

[Signature]

John Linehan Principal Senior Vice-President

WITNESS our hands and seals, this 19th day of October, 1993.

Safeco Insurance Company of America

[Signature] Surety Attorney in Fact
[Signature]

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

(If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany the bond.)

Approved Date 2-18-94
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
By: [Signature]

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

Permit No. blanket



LIMITED POWER OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98105

No. 7633

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

*****L. W. HOLLENSBE; LEATRICE M. CONALLY; STACY ROBERTS, Oklahoma City, Oklahoma*****

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued by the company in the course of its business, and to bind the respective company thereby in amounts or penalties not exceeding the sum

of TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$ 250,000.00)

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 4th day of January, 1993

R. A. Pierson
R. A. PIERSON, SECRETARY

David M. Ryan
DAVID M. RYAN, PRESIDENT

DATE CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,
(i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,
the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, R. A. Pierson, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporations

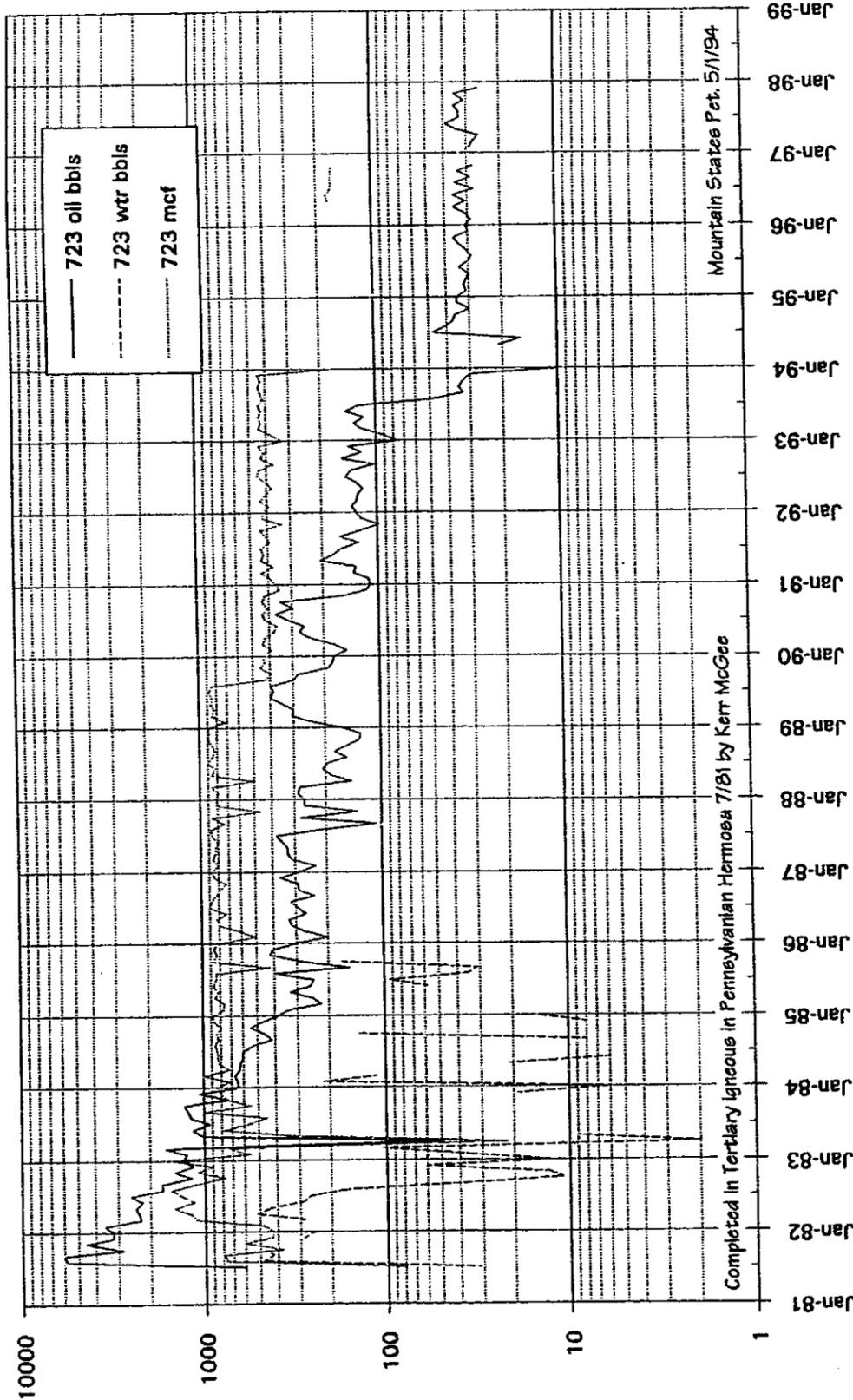
this 19th day of October, 1993



R. A. Pierson
R. A. PIERSON, SECRETARY

Registered trademark of SAFECO Corporation.

MONTHLY PRODUCTION AT 3 NAVAJO-138 (723), ARIZONA: JUL 1981 - DEC 1997
 nw ne 6-35n-30e, Dineh-bj-Keyah Field, Apache County



2/12/98



Fife Symington
Governor

State of Arizona
Arizona Geological Survey

845 North Park Avenue, #100
Tucson, Arizona 85719
(602) 882-4795



Larry D. Fellows
Director and State Geologist

June 8, 1994

Ms. Judy Burkhart
Mountain States Petroleum Corporation
P. O. Box 1936
Roswell, New Mexico 88201

Dear Ms. Burkhart:

This will acknowledge receipt of your letter of June 6, which included a change of operator form for each of the 31 Kerr-McGee Corporation wells at the Dineh-bi-Keyah Field sold to Mountain States Petroleum Corporation. Our records indicate that the Navajo #B-1 was plugged and abandoned by Kerr-McGee Corporation in October 1993.

Please note that our records indicate a different API number than the one you have recorded on your forms for the following wells:

<u>Well</u>	<u>API #</u>
Navajo 01	02-001-20001
Navajo 03X	02-001-20011
Navajo 04	02-001-20009
Navajo 10	02-001-20042
Navajo 14	02-001-20040
Navajo 15	02-001-20041

Sincerely,

Steven L. Rauzi
Oil & Gas Program Administrator

P. O. BOX 1936

505 623-7184

MOUNTAIN STATES PETROLEUM CORPORATION

213 EAST FOURTH STREET
ROSWELL, NEW MEXICO
88202

June 6, 1994

Arizona Geological Survey
845 North Park Avenue, #100
Tucson, Arizona, 85719

**AZ OIL & GAS
CONSERVATION COMMISSION**

JUN 8 1994

Attention: Steven L. Rauzi,
Oil & Gas Program Administrator

Re: Dineh-bi-Keyah Field
Apache County, Arizona

Dear Sir;

In followup of our May 24, 1994, letter to you relative to the change of operator from Kerr McGee to Mountain States Petroleum Corporation for the captioned field; please find enclosed a copy of the notices sent to the Minerals Management Service.

We hope this will supply the information you requested and apologize for any inconvenience we may have caused. If you have any questions or are in need of anything further please contact the undersigned. Thank you.

Sincerely,

Judy Burkhardt
Judy Burkhardt,
Secretary

Enclosures

UNITED STATES DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE
ROYALTY MANAGEMENT PROGRAM

CHANGES TO REPORTER INFORMATION

OLD INFORMATION:

MMS OPERATOR CODE: X 0 2 1 7
COMPANY NAME: K E R R M C G E E C O R P O R A T I O N

NEW INFORMATION:

MMS OPERATOR CODE: X 0 2 7 4
COMPANY NAME: M O U N T A I N S T A T E S P E T R O L E U M C O R P
CONTACT NAME: R U B Y W I C K E R S H A M
STREET ADDRESS: 2 1 3 E F O U R T H
CITY: R O S W E L L
STATE: N M ZIP CODE: 8 8 2 0 1
PHONE: 5 0 5 6 2 3 - 7 1 8 4
AREA CODE

COMPLETE IF APPLICABLE:

I AM NO LONGER AN OPERATOR OF INDIAN OR FEDERAL PROPERTIES.
PLEASE REMOVE MY NAME FROM YOUR MAILING LIST.

COMPANY SOLD TO: _____ EFFECTIVE DATE: _____

LEASES / AGREEMENTS AFFECTED: NAVAJO #138-3 (723) AZ OIL & GAS
CONSERVATION COMMISSION
Dineh Bi Keyah Field - Apache County, Arizona JUN 8 1994
Lease #: 14-20-0603- 8876 API #: 020012025300S1

COMMENTS: This property was sold to Mountain States Petroleum Corp.
and they became operator effective May 1, 1994.

SIGNATURE: Judy Buskhat
DATE: 5/13/94

MAIL TO:
MINERALS MANAGEMENT SERVICE
ROYALTY MANAGEMENT PROGRAM
P.O. BOX 25165 . MS 3122
DENVER, CO 80225

P. O. BOX 1936

505 623-7184

MOUNTAIN STATES PETROLEUM CORPORATION

213 EAST FOURTH STREET
ROSWELL, NEW MEXICO
88202

May 24, 1994

Arizona Geological Survey
845 North Park Avenue, #100
Tucson, Arizona 85719

Attention: Steven L. Rauzi,
Oil & Gas Program Administrator

Re: Dineh-bi-Keyah Field
Apache County, Arizona

Dear Sir;

Please be advised that effective May 1, 1994, Mountain States Petroleum Corporation replaced Kerr-McGee as Operator of the captioned field and it's respective wells.

Listed on the attached sheet are the well names and API #'s of each well in this field, including shut-in, producing, and abandoned wells.

Please change your records to reflect that Mountain States Petroleum Corporation, Post Office Box 1936, Roswell, New Mexico, 88202-1936, (505) 623-7184, is now the operator of these properties and as such will be filing all required monthly production reports.

If you have any questions or are in need of anything further in this matter please contact the undersigned. Thank you.

Sincerely,

Judy Burkhart

Judy Burkhart,
Secretary

Attachment

CONSERVATION COMMISSION

MAY 31 1994

723

Operator KERR-McGEE CORPORATION

Safeco Insurance Company of America
~~FIREMEN'S INSURANCE COMPANY~~

Bond Company OF NEWARK, NEW JERSEY Amount \$25,000

Bond No. ~~BND 188 98 10 528~~ Date Approved ~~OCTOBER 19, 1973~~

2971100-2620

February 18, 1974

ACTIVE

Permits covered by this bond:

377	446
381- <i>PIA Oct '93</i>	484
384	506
385	618
386	DATE 691
388	692
389	693
390	695
396	696
416	719
417	720
419	721
421	722
422	723
431	
443	
445	

CANCELLED
12-1-97

Copy mailed to Mike Couts in my letter of 2-18-94

Operator KERR-MCGEE CORPORATION
 FIREMEN'S INSURANCE COMPANY
 Bond Company OF NEWARK, NEW JERSEY Amount \$25,000
 Bond No. BND 188 98 10-528 ²⁻¹⁸⁻⁶⁴ DATE Approved OCTOBER 19, 1973

DATE

Active & Nonactive
 Permits covered by this bond:

10 - P&A 4/77	409 - Expired	808 - Expired
36 - P&A 4/77	410 - Expired	809 - Expired
37 - P&A 4/77	411 - Expired	810 - Expired
38 - P&A 4/77	413 - P&A 6/67	811 - Expired
39 - P&A 5/77	414 - P&A 6/67	812 - Expired
57 - P&A 9/58	416 -	
63 - P&A 9/58	417 -	
64 - P&A 10/58	418 - Expired	
90 - P&A 7/59	419 -	
91 - P&A 7/59	420 - P&A 8/83	
142 - P&A 3/61	421 -	
238 - P&A 10/77	422 -	
303 - P&A 6/65	426 - P&A 9/67	
349 - P&A 4/77	427 - P&A 12/69	
377 -	431 -	
378 - P&A 8/74	441 - P&A 6/88	
379 - P&A 6/79	443 -	
380 - P&A 3/67	445 -	
381 -	446 -	
384 -	447 - P&A 9/74	
385 -	484 -	
386 -	506 -	
388 -	618 -	
389 -	690 - P&A 9/88	
390 -	691 -	
391 - P&A 8/83	692 -	
392 - P&A 9/73	693 -	
396 -	694 - P&A 8/83	
397 - Expired	695 -	
398 - 441	696 -	
399 - Expired	697 - Expired	
402 - P&A 5/67	719 -	
403 - P&A 5/67	720 -	
404 - P&A 5/67	721 -	
405 - P&A 5/67	722 -	
406 - P&A 5/67	723 -	
407 - P&A 6/67	806 - Expired	
408 - P&A 5/67	807 - Expired	

September 21, 1973

American Casualty Company
Reading, Pennsylvania

Re: Kerr-McGee Corporation
\$25,000 Blanket Performance Bond
American Casualty Company
Bond No. 5471020-52

Gentlemen:

Kerr-McGee Corporation has furnished this Commission with another bond to replace the above referenced bond, therefore this Commission has no objection to the cancellation of the above referenced bond on October 19, 1973.

Thank you for your cooperation.

Very truly yours,

W. E. Allen, Director
Enforcement Section

WEA/rlb
E



September 17, 1973

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

Re: Kerr-McGee Corporation
\$25,000 Blanket Performance Bond
Firemen's Insurance Company
Bond No. BND 188 98 10-528

Gentlemen:

Enclosed is the captioned \$25,000 Blanket Drilling Bond signed by Kerr-McGee Corporation, as Principal, and Firemen's Insurance Company of Newark, New Jersey, as Surety, to become effective October 19, 1973. This will replace American Casualty Company Bond No. 5471020-52 currently on file.

We trust the enclosure will be found acceptable for filing and respectfully request termination of the aforesaid American Casualty Company bond for any liability that might accrue subsequent to October 19, 1973. Kindly mail the release to my attention at the above address for forwarding to American Casualty Company.

Thank you for your assistance in this matter.

Very truly yours,

Betty Langford
Betty Langford,
Insurance Department

/b1

Enclosure

RECEIVED

SEP 20 1973

O & G CONS. COMM.

THE CONTINENTAL INSURANCE COMPANY
FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY
COMMERCIAL INSURANCE COMPANY OF NEWARK, N.J.
THE FIDELITY AND CASUALTY COMPANY OF NEW YORK

THE BUCKEYE UNION INSURANCE COMPANY
KANSAS CITY FIRE AND MARINE INSURANCE COMPANY
NATIONAL BEN FRANKLIN INSURANCE COMPANY OF ILLINOIS
THE GLENS FALLS INSURANCE COMPANY

State of Arizona
Arizona Geological Survey
845 North Park Avenue #100
Tucson, Arizona 85719



COMPANY *Firemen's Insurance Company of Newark, NJ*

BOND NO. *BND 188 98 10-528*
Kerr-McGee Corporation
\$25,000.00

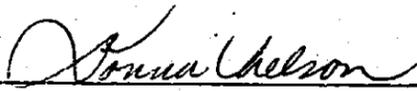
PLACE OF MAILING *600 N. Pearl Street, Suite 1480*
Dallas, Texas 75201

DATE *February 8, 1994*

Take notice that the Company does hereby cancel the above designated *Performance Bond* bond* in its entirety as to all interests insured in accordance with the terms and conditions of the bond.

Said Cancellation to be effective *immediately* ~~xxx~~ after receipt of this notice by you, unless the Company has received written notice from you to terminate the bond* prior thereto, at which time said bond* shall cease and terminate.

* The word "policy" shall be substituted for "bond" where applicable.


AUTHORIZED SIGNATURE

ACKNOWLEDGMENT

Your Notice of Cancellation has been received. We have arranged to cancel the bond effective the *18* day of *February*, 19*94*.

Dated: *2-22-94*

By: *Steven L. Raring, Oil & Gas Program Administrator*
Name & Title



Fife Symington
Governor

State of Arizona
Arizona Geological Survey

845 North Park Avenue, #100
Tucson, Arizona 85719
(602) 882-4795



Larry D. Fellows
Director and State Geologist

February 18, 1994

Mr. Mike Coats
Insurance Specialist
Kerr-McGee Corporation
P. O. Box 25861
Oklahoma City, Oklahoma 73125

Re: Approval of blanket performance bond #2971100-2620
Cancellation of blanket performance bond 188 98 10-528

Dear Mr. Coats:

I have enclosed an approved copy (duplicate original) of the referenced blanket performance bond for Kerr McGee Corporation's files. I have also enclosed a list of Kerr McGee Corporation's wells covered by the referenced approved bond.

Referenced blanket performance bond 188 98 10-528 is canceled as of this date.

Please let me know if I can be of additional assistance in this matter.

Sincerely,

Steven L. Rauzi
Oil and Gas Program Administrator

Enclosure

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS

Bond Serial No. BND 188 98 10-528

That we: KERR-McGEE CORPORATION

of the County of Oklahoma in the State of Oklahoma

as principal, and FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

of New York, New York

AUTHORIZED TO DO BUSINESS WITHIN the State of Arizona.

as surety, are held and firmly bound unto the State of Arizona and the Oil and Gas Conservation Commission, hereinafter referred to as the "Commission", in the penal sum of TWENTY-FIVE THOUSAND AND NO/100 (\$25,000.00) DOLLARS lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The conditions of this obligation are that, whereas the above bounden principal proposes to drill a well or wells for oil, gas or stratigraphic purposes in and upon the following described land situated within the State, to-wit:

Lands covered by oil and gas mining leases of various dates and periods of duration heretofore entered into or which may hereafter be entered into by the Principal

(May be used as blanket bond or for single well)

NOW, THEREFORE, if the above bounden principal shall comply with all the provisions of the Laws of this State and the rules, regulations and orders of the Commission, especially with reference to the requirements of A.R.S. §27-516, providing for the proper drilling, casing and plugging of said well or wells, and filing with the Oil and Gas Conservation Commission all notices and records required by said Commission, then in the event said well or wells do not produce oil or gas in commercial quantities, or cease to produce oil or gas in commercial quantities, this obligation is void; otherwise it shall remain in full force and effect.

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

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

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

THIS BOND SHALL BECOME EFFECTIVE OCTOBER 19, 1973.
WITNESS our hands and seals, this 12th day of September, 19 73

ATTEST:

R. D. Roberts
R. D. Roberts
Asst. Secretary

[Signature]
KERR-McGEE CORPORATION

By: *[Signature]*
C. F. Miller, Principal Vice President

WITNESS our hands and seals this 12th day of September, 19 73

RECEIVED

SEP 20 1973

O & G CONS. COMM.

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

By: *[Signature]*
W. Fay Hogue, Attorney Surety

[Signature]
John B. Fuelleman
3424 N. Central Ave., Phoenix, Arizona
Surety, Resident Arizona Agent
If bonded in state other than Arizona

(If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany the bond.)

Approved Date: Oct. 19, 1973

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

By: *[Signature]*

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

Bond

File Two Copies

Form No. 2

Permit No. _____

FORM APPROVED
INSURANCE DEPARTMENT

CANCELLED
2-18-94
DATE

FIREMEN'S INSURANCE COMPANY

OF NEWARK, NEW JERSEY

80 Maiden Lane, New York, New York 10038

GENERAL POWER OF ATTORNEY

Know all men by these Presents, That the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has made, constituted and appointed, and by these presents does make, constitute and appoint

W. Fay Hogue of Oklahoma City, Oklahoma

its true and lawful attorney for it and in its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertakings and contracts of suretyship to be given to

all obligees

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of Unlimited Dollars.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY at a meeting duly called and held on the 22nd day of December, 1961:

"RESOLVED, that the Chairman of the Board, the Vice Chairman of the Board, the President, an Executive Vice President or any Vice President of the Company, be, and that each or any of them hereby is, authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute in behalf of FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, bonds, undertakings and all contracts of suretyship; and that any Secretary or any Assistant Secretary be, and that each or any of them hereby is, authorized to attest the execution of any such Power of Attorney, and to attach thereto the seal of the Company.

FURTHER RESOLVED, that the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached."

In Witness Whereof, the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has caused its official seal to be hereunto affixed, and these presents to be signed by one of its Vice Presidents and attested by one of its Secretaries this 15th day of April, 1971.

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

Attest:

Eugene P. Dougherty
Secretary



DATE

[Signature]
Vice-President

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On this 15th day of April, 1971, before me personally came R. K. Ruesch, to me known, who being by me duly sworn, did depose and say that he resides in New Providence, in the County of Union, State of New Jersey, at 35 Alden Road; that he is a Vice President of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

CERTIFICATE



STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

Mary Tobin
MARY TOBIN
Notary Public, State of New York
No. 30-3993365
Qualified in Nassau County
Certificate filed in New York County Clerk's Office
Commission Expires March 30, 1973

I, the undersigned, an Assistant Secretary of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, a New Jersey corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed at the City of New York. Dated the 12th day of September, 1973.

RECEIVED

SEP 20 1973

O & G CONS. COMM.



Robert W. Schmitt
Asst. Secretary

Printed in U.S.A

Operator KERR-MCGEE CORPORATION

Bond Company American Casualty Company ~~BY~~ Amount \$25,000

Bond No. 5471020-52 Date Approved 10-24-68
KM Bond No. 528

Permits covered by this bond:

*See ride attached
showing the 5 new
Humble wells they
took over.*

<u>10</u>	386	417
<u>36</u>	389	418
<u>37</u>	390	419
<u>38</u>	391	420
<u>39</u>	392	422
<u>57</u>	396	426
<u>63</u>	397	427
<u>64</u>	398	441
<u>142</u>	399	445
<u>288</u>	402	446
<u>303</u>	403	506
<u>90</u>	404	388
<u>91</u>	405	421
<u>349</u>	406	431
<u>377</u>	407	443
<u>378</u>	408	447
<u>379</u>	409	618
<u>380</u>	410	
<u>381</u>	411	
<u>384</u>	413	
<u>385</u>	414	
<u>385</u>	416	

CANCELLED

DATE 10-19-73

*Kerr-McGee
took these
over from
Humble*

KM BOND NO. 528

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS

Bond Serial No. 5471020-52

That we: Kerr-McGee Corporation

of the County of Oklahoma in the State of Oklahoma

as principal, and AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

of Reading, Pennsylvania

AUTHORIZED TO DO BUSINESS WITHIN the State of Arizona.

as surety, are held and firmly bound unto the State of Arizona and the Oil and Gas Conservation Commission, hereinafter referred to as the "Commission", in the penal sum of TWENTY-FIVE THOUSAND (\$25,000.00) Dollars lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The conditions of this obligation are that, whereas the above bounden principal proposes to drill a well or wells for oil, gas or stratigraphic purposes in and upon the following described land situated within the State, to-wit:

Lands covered by oil and gas mining leases of various dates and periods of duration heretofore entered into or which may hereafter be entered into by the Principal

(May be used as blanket bond or for single well)

NOW, THEREFORE, if the above bounden principal shall comply with all the provisions of the Laws of this State and the rules, regulations and orders of the Commission, especially with reference to the requirements of A.R.S. §27-516, providing for the proper drilling, casing and plugging of said well or wells, and filing with the Oil and Gas Conservation Commission all notices and records required by said Commission, then in the event said well or wells do not produce oil or gas in commercial quantities, or cease to produce oil or gas in commercial quantities, this obligation is void; otherwise it shall remain in full force and effect.

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

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

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

WITNESS our hands and seals, this 19th day of October, 19 68

ATTEST:

Carter G. Dudley
Carter G. Dudley, Assistant Secretary

WITNESS our hands and seals this 19th day of October, 19 68

KERR-McGEE CORPORATION

BY: C. F. Miller
Principal C. F. Miller, Vice President

AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

BY: Roger L. Miller
Surety Roger L. Miller, Attorney-in-fact

Richard B. Miller
Surety, Resident Arizona Agent
If issued in a state other than Arizona
Richard B. Miller
Resident Service Representative

(If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany the bond.)

Approved Date: 10/24/68
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
By: John J. Amacker

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

Permit No. _____

FORM APPROVED
INSURANCE DEPARTMENT

RECEIVED
OCT 24 1968
STATE O & G
CONS. COMM.

CANCELLED
DATE 10-19-71

Arizona Resident Agent:

Mr. John R Wenig
222 West Osborn
Suite 210
Phoenix, Arizona

C & A ch



AMERICAN CASUALTY COMPANY
OF READING, PENNSYLVANIA

EXECUTIVE OFFICES: CHICAGO, ILLINOIS
A PENNSYLVANIA CORPORATION

Power of Attorney Appointing Individual Attorney-in-Fact.

Know All Men by these Presents, That AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, and having its principal office in the City of Chicago, and State of Illinois, does hereby make, constitute and appoint ROGER L. MILLER

of OKLAHOMA CITY, OKLAHOMA
its true and lawful Attorney-in-Fact with full power and authority hereby conferred to sign, seal and execute in its behalf bonds, undertakings and other obligatory instruments of similar nature as follows:
WITHOUT LIMITATIONS

and to bind AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company:

"Article VI — Execution of Obligations and Appointment of Attorney-in-Fact

Section 2. Appointment of Attorney-in-fact. The President or a Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Vice President or the Board of Directors may at any time revoke all power and authority previously given to any attorney-in-fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 11th day of November, 1966:

"Resolved, that the signature of the President or a Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to Section 2 of Article VI of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company."

In Witness Whereof, AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed this 6th day of August, 1968

AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

State of Illinois }
County of Cook } ss



[Signature]
Vice President.

On this 6th day of August, 1968, before me personally came H. G. RILEY to me known, who, being by me duly sworn, did depose and say: that he resides in the Village of Glenview, State of Illinois; that he is a Vice President of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, the corporation described in and which executed the above instrument that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



[Signature]
Notary Public
My Commission Expires August 4, 1970

DATE 10-19-73
CERTIFICATE

I, C. C. SADLOWSKI, Assistant Secretary of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, do certify that the Power of Attorney herein above set forth is still in force, and further certify that Section 2 of Article VI of the By-Laws of the Company and the Resolution of the Board of Directors, set forth in said Power of Attorney are still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said Company this 19th day of October, 1968.



[Signature]
Assistant Secretary.

8-23142A



CNA CONTINENTAL NATIONAL AMERICAN GROUP



AMERICAN CASUALTY COMPANY
 OF READING, PENNSYLVANIA
 EXECUTIVE OFFICES: CHICAGO, ILLINOIS
 A PENNSYLVANIA CORPORATION

Rider to be attached to and form a part of Bond Number ~~5471020-52~~ on behalf of KERR-McGEE CORPORATION, Kerr-McGee Building, Oklahoma City, Oklahoma 73102, and in favor of STATE OF ARIZONA and the OIL AND GAS CONSERVATION COMMISSION, executed by the AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, as Surety, in the amount of TWENTY-FIVE THOUSAND AND NO/100 (\$25,000.00) DOLLARS, effective October 19, 1968.

The Principal and the American Casualty Company of Reading, Pennsylvania hereby consent to changing the said bond as follows:

Effective January 1, 1973, this bond is amended to include coverage for existing wells and any wells that may hereafter be drilled on leases acquired from Humble Oil & Refining Company, in and upon the following described land situated within the State, to wit:

All of Section 6, Township 35N, Range 30E, Apache County, Arizona known as "Navajo Tract #138 Farm"

All of Sections 25, 26, 35 and 36, Township 36N, Range 29E, Apache County, Arizona, known as "Navajo Tract #88 Farm"

Existing wells are as follows:

- | | |
|---|---|
| (1) Navajo #138-1
SE/NE Sec. 6, T35N-R30E
Apache County, Arizona | (3) Navajo #88-2
SE/NE Sec. 25-T36N-R29E
Apache County, Arizona |
| (2) Navajo #88-1
SE/SE Sec. 25-T36N-R29E
Apache County, Arizona | (4) Navajo #88-3
SE/NE Sec. 36-T36N-R29E
Apache County, Arizona |
| (5) Navajo #88-4
Salt Water Disposal Well
SE/NW Sec. 25-T36N-R29E
Apache County, Arizona | |

CANCELLED

10-19-73

FORM APPROVED
Kern
INSURANCE DEPARTMENT

Nothing herein contained shall vary, alter or extend any provision or condition of the bond other than as above stated.

Signed, Sealed and dated this 15th day of January, 1973.

RECEIVED

JAN 15 1973

O & G CONS. COMM.

ATTEST:

Carter G. Dudley
Carter G. Dudley
Ass't Secretary

KERR-McGEE CORPORATION

By: C. F. Miller
C. F. Miller, Vice President

COUNTERSIGNED:

Sheldon H. Schuster
Sheldon H. Schuster, Resident Agent
4810 N. Black Canyon Highway
Phoenix, Arizona 85017

AMERICAN CASUALTY COMPANY
OF READING, PENNSYLVANIA

By: Wesley Fay Hogue
Wesley Fay Hogue, Attorney-in-Fact



POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men by these Presents, That AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, and having its principal office in the City of Chicago, and State of Illinois, does hereby make, constitute and appoint WESLEY FAY HOGUE, INDIVIDUALLY

of OKLAHOMA CITY, OKLAHOMA
its true and lawful Attorney-in-Fact with full power and authority hereby conferred to sign, seal and execute in its behalf bonds, undertakings and other obligatory instruments of similar nature as follows:
WITHOUT LIMITATIONS

and to bind AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company:

"Article VI — Execution of Obligations and Appointment of Attorney-in-Fact

Section 2. Appointment of Attorney-in-fact. The President or a Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Vice President or the Board of Directors may at any time revoke all power and authority previously given to any attorney-in-fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 11th day of November, 1966:

"Resolved, that the signature of the President or a Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to Section 2 of Article VI of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company."

In Witness Whereof, AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed this 17TH day of MAY, 19 72.

AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

State of Illinois }
County of Cook } ss



R. J. Wall
R. J. WALL Vice President.

On this 17TH day of MAY, 19 72, before me personally came

R. J. WALL to me known, who, being by me duly sworn, did depose and say: that he resides in the Village of Western Springs, State of Illinois; that he is a Vice-President of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, the corporation described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



Carol Walczak
CAROL WALCZAK Notary Public.
My Commission Expires October 3, 1972

DATE 10-19-73
HAROLD P. SCHULER,

CERTIFICATE

I, HAROLD P. SCHULER, ASSISTANT Secretary of AMERICAN CASUALTY COMPANY OF READING PENNSYLVANIA, do certify that the Power of Attorney herein above set forth is still in force, and further certify that Section 2 of Article VI of the By-Laws of the Company and the Resolution of the Board of Directors, set forth in said Power of Attorney are still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said Company this 15th day of January, 19 73.



Harold P. Schuler
HAROLD P. SCHULER Assistant Secretary.



KERR-McGEE CORPORATION

4221 WEST TWENTY-FIRST AVENUE
P. O. BOX 250 • AMARILLO, TEXAS 79189

OIL AND GAS DIVISION

August 31, 1981

RECEIVED

SEP 3 1981

O & G CONS. COMM. *AKF*

PHONE
805 359-0351

Department of the Interior
Geological Survey
P.O. Box 959
Farmington, New Mexico 87401

State of Arizona
Oil and Gas Conservation Commission
1645 West Jefferson, Suite 420
Phoenix, Arizona 85007

RE: Logs for Kerr-McGee Corporation's
Navajo 138 Lease, Well No. 3,
Dineh-Bi-Keyah Field, Apache
County, Arizona

Gentlemen:

Enclosed please find a copy of the logs run on the above referenced well.
The logs were not sent with the completion reports.

Sincerely,

KERR-McGEE CORPORATION

Kelley Eisenberg
Kelley Eisenberg
Sr. Engineering Assistant
Southwest District - N.A.

KE:bjm
Enclosures



KERR-McGEE CORPORATION

4221 WEST TWENTY-FIRST AVENUE
P. O. BOX 250 • AMARILLO, TEXAS 79169

RECEIVED

SEP 1 1981

O & G CONS. COMM.

OIL AND GAS DIVISION

August 18, 1981

PHONE
806 359-0351

State of Arizona
Oil & Gas Conservation Commission
1645 West Jefferson, Suite 420
Phoenix, Arizona 85007

Re: Kerr-McGee Corporation's
Navajo 138 Lease, Well #3,
Dineh-Bi-Teyah Field
Apache County, Arizona

Gentlemen:

Enclosed please find the following for the referenced well:

1. Form No. 6, "Potential Test and Request for Allowable Oil Wells", in duplicate with attached plats,
2. Form No. 4, "Well Completion or Recompletion Report and Well Log", in triplicate and accompanying logs, and
3. An addressed and stamped envelope in which to return the extra copy of the form numbers 4 and 6.

If you need any further information, please contact me at
806/359-0351.

Sincerely,

KERR-McGEE CORPORATION

Kelley Eisenberg

Kelley Eisenberg
Sr. Engineering Assistant
Southwest District - N.A.

KE/bjm
Enclosures

cc: The Navajo Tribe

RECEIVED

AUG 6 1981

O & G CONS. COMM.



KERR-MCGEE CORPORATION

4221 WEST TWENTY-FIRST AVENUE
P. O. BOX 250 • AMARILLO, TEXAS 79189

OIL AND GAS DIVISION

PHONE
806 359-0351

August 3, 1981

State of Arizona
Oil and Gas Conservation Commission
1645 W. Jefferson, Suite 420
Phoenix, Arizona 85007

RE: Well Status Report and Gas-Oil
Ratio Test for Navajo #138-3

Gentlemen:

Enclosed is form No. 5 for the above referenced well (a newly completed well).

If further information is required, please telephone me at the above telephone number.

Cordially,

KERR-MCGEE CORPORATION

Brenda Hall

Brenda Hall
Production Clerk
Southwest District - N.A.

BH/pm
Encl.

723

WA



KERR-McGEE CORPORATION

4221 WEST TWENTY-FIRST AVENUE
P. O. BOX 250 • AMARILLO, TEXAS 79109

RECEIVED

MAY 20 1981

O & G CONS. COMM.

OIL AND GAS DIVISION

May 18, 1981

PHONE
806 359-0351

806/359-0351

Oil and Gas Conservation Commission
State of Arizona
1645 West Jefferson, Suite 420
Phoenix, Arizona 85007

Attention: W. E. Allen

RE: Extensions on Permits to Drill Kerr-McGee's Navajo #25, #26, #27, #88-6, and #138-3, Apache County, Arizona

Gentlemen:

Kerr-McGee Corporation respectfully requests extensions on the Permits to Drill for the above referenced wells. An extension of six (6) months should be enough time to enable all five (5) wells to be drilled.

If you need any further information, please contact me at 806/359-0351.

Sincerely,

KERR-McGEE CORPORATION

Kelley Eisenberg

Kelley Eisenberg
Sr. Engineering Assistant
Southwest District - N. A.

KE/sm

APPROVED

OIL & GAS CONSERVATION COMMISSION
STATE OF ARIZONA

By W. E. Allen
Date 5-20-81

719
720
721
722
723 ✓

May 13, 1981

Kerr-McGee Corporation
P.O. Box 250
Amarillo, Texas 79189

Attention: Kelley Eisenberg

Re: Kerr-McGee Navajo 25
NE NW 31-36N-30E, Apache County
State Permit 719

Gentlemen:

This is to advise that the above referenced permit to drill will expire on May 26, 1981. Should you wish an extension of this permit, please advise before expiration.

Incidentally, you have been issued four other permits, numbers 720, 721, 722, and 723. These permits will expire on June 11, 1981. We would suggest you request an extension at this time on all five of the proposed wells.

Yours very truly,

W. E. Allen
Executive Secretary

WEA:os

723

March 11, 1981

Kerr-McGee Corporation
P.O. Box 250
Amarillo, Texas 79189

Attention: Kelley Eisenberg
Engineering Assistant

Gentlemen:

Enclosed are approved application to drill, permit to drill,
and receipt for the following:

Permit 720, Kerr-McGee Navajo 26
Permit 721, Kerr-McGee Navajo 27
Permit 722, Kerr-McGee Navajo 88-6
✓ Permit 723, Kerr-McGee Navajo 138-3

Yours truly,

W. E. Allen
Executive Secretary

OS
Enc.



KERR-McGEE CORPORATION

4221 WEST TWENTY-FIRST AVENUE
P. O. BOX 250 • AMARILLO, TEXAS 79189

RECEIVED

MAR 11 1981

O & G CONS. COMM.

OIL AND GAS DIVISION

PHONE
806 359-0351

February 26, 1981

State of Arizona
Oil & Gas Conservation Commission
1645 W. Jefferson Suite 420
Phoenix, AZ 85007

Re: Kerr-McGee Corporation's Application
for a Permit to Drill the Navajo Lease,
Well No. 138-3 , Dineh-bi-Keyah Field,
Apache County, Arizona

Gentlemen:

Enclosed please find in duplicate, Form No. 3, Application for a Permit to Drill, and two (2) copies of the surveyors plat for the above referenced well. Also enclosed is a check for twenty-five dollars (\$25.00) to cover the filing fee for the well.

If you need any further information, please contact me at 806-359-0351.

Sincerely,

KERR-McGEE CORPORATION

Kelley Eisenberg

Kelley Eisenberg
Engineering Assistant
Southwest District - N.A.

KE/cw
Enc.

723