

CONFIDENTIAL

Release Date Expired

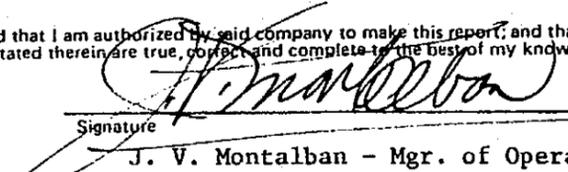
MTN. STATES RESOURCES, INC. 844
SE SW 22-41N-30E 20 NAVAJO-0 APACHE CO.

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL **RECEIVED**

AUG 8 1983

NAME OF COMPANY OR OPERATOR MOUNTAIN STATES RESOURCES, INC.			D & G CONS. COMM.
Address CBM Bldg. - Box 1995		City Cut Bank	State Mt. 59427-1995
Drilling Contractor Unknown at this time			
Address Unknown at this time			
DESCRIPTION OF WELL AND LEASE			
Federal, State or Indian Lease Number, or if fee lease, name of lessor Navajo Tribal NOO-C-14-20-4433	Well number #20	Elevation (ground) 5017' GR (Ungraded)	
Nearest distance from proposed location to property or lease line: 592' feet	Distance from proposed location to nearest drilling, completed or applied-for well on the same lease: 1469' feet		
Number of acres in lease: 1280	Number of wells on lease, including this well, completed in or drilling to this reservoir: Four (4)		
If lease, purchased with one or more wells drilled, from whom purchased: Energy Reserves Group, Inc. P. O. Box 3280 Casper, Wyoming			
Well location (give footage from section lines) 592' FSL & 2174' FWL	Section--township--range or block and survey Sec. 22 - T41N - R30E	Dedication (Comply with Rule 105) 40 Acres (SE/4SW/4)	
Field and reservoir (if wildcat, so state) Teec Nos Pos Field	County Apache County		
Distance in miles, and direction from nearest town or post office Approx. 2 miles NW of Teec Nos Pos Trading Post, Arizona			
Proposed depth: 5186'	Rotary or cable tools Rotary	Approx. date work will start	
Bond Status Active #4385444	Organization Report #028954	Filing Fee of \$25.00	
Amount \$25,000.00	On file Oct/82 Or attached	Attached \$25.00 Ck. # 10062	
Remarks: Mountain States Resources, Inc. proposes to drill the referenced well with rotary tools. No cores are anticipated. Potential zones which may be tested are the Lower Ismay and Desert Creek. Copies of all logs run will be furnished upon completion of the well. Anticipated zone of completion is the Lower Ismay and Desert Creek.			
CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <u>President</u> of the <u>Mountain States Resources, Inc.</u> (company), and that I am authorized by said company to make this report, and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.			
 Signature J. V. Montalban - Mgr. of Operations			
Date August 2, 1983			
Permit Number: 844	Approval Date: 5/8/83		
Approved By: R. A. Yfana		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 communitization 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 All Sections 22 and 27
R30E	
<div style="border: 1px solid black; padding: 5px; margin: 5px auto; width: 80%;"> <p style="text-align: center;">22</p> <p style="text-align: center;">40 Acres (SE/4SW/4) Dedicated to Navajo "O" #20</p> <p style="text-align: center;">2174'</p> <p style="text-align: center;">592'</p> </div>	<p style="text-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 style="text-align: center;"><i>J. V. Montalban</i></p> <p>Name J. V. Montalban</p> <p>Position Mgr. of Operations</p> <p>Company Mountain States Resources,</p> <p>Date August 2, 1983</p> <p style="text-align: center;">T41N</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 style="text-align: center;">Date Surveyed June 8, 1983</p> <p style="text-align: center;">Registered Professional Engineer and/or Land Surveyor</p> <p style="text-align: center;">Gerald G. Huddleston, L.S.</p> <p style="text-align: center;">Certificate No. 14668</p>

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
8 5/8"	24#	J55	Surf.	1500'	0' - 1500'	800 Sax	
4 1/2"	10.5#	J55	Surf.	5186'	4786' - 5186'	200 Sax	



POWERS ELEVATION

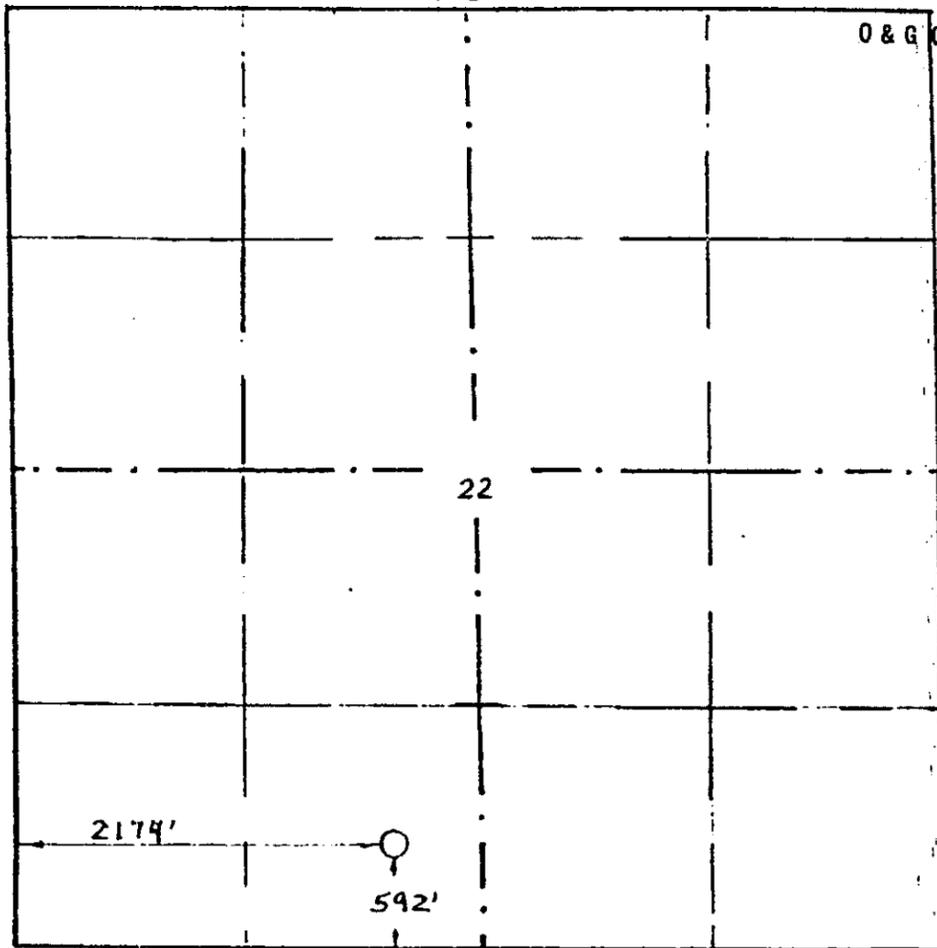
Well Location Plat

RECEIVED

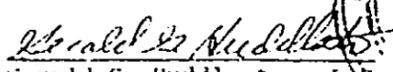
AUG 8 1983

O & G CONS. COMM.

R 30 E

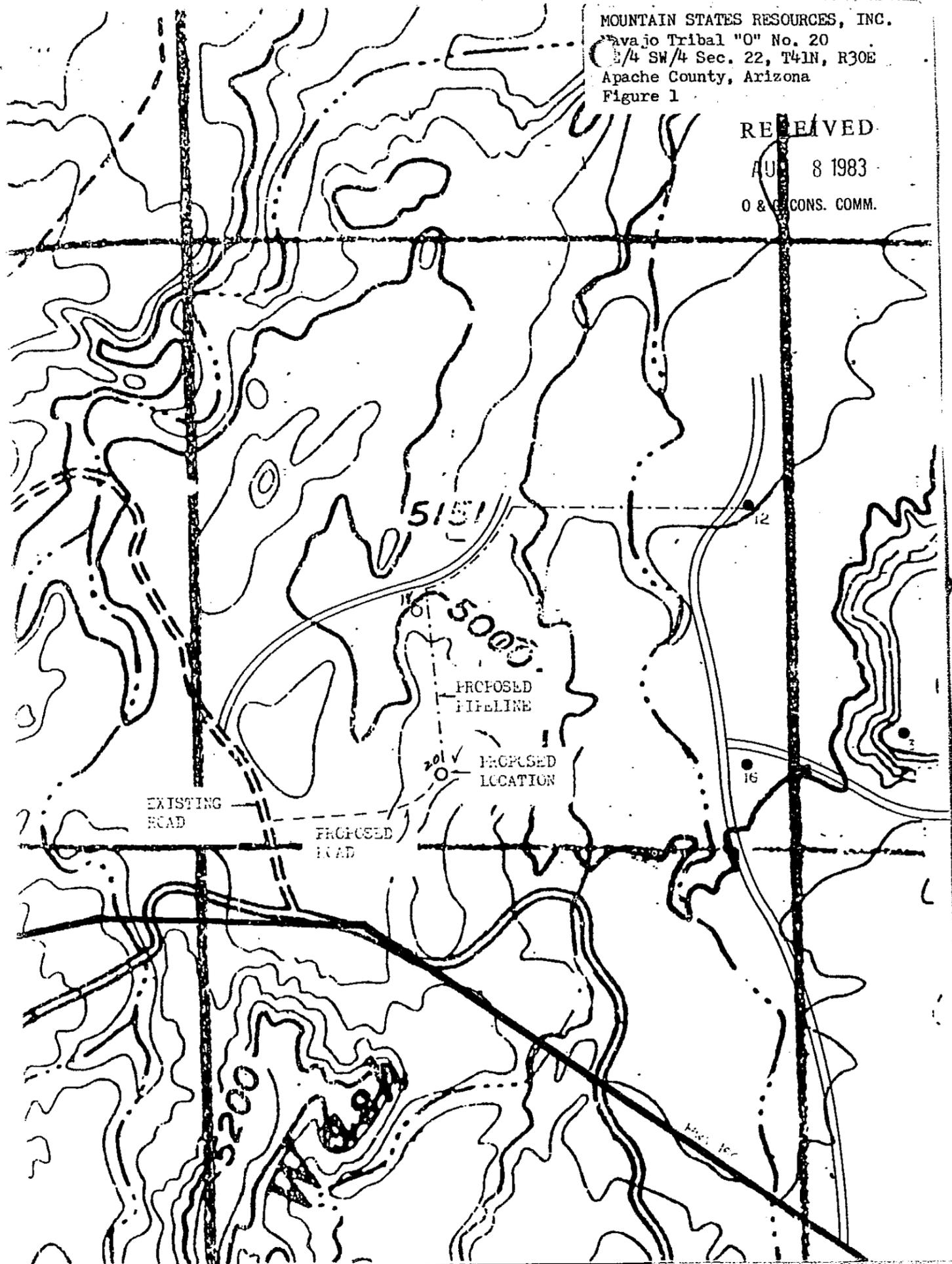


1"=1000'

Operator MOUNTAIN STATES RESOURCES, INC.		Well name NAVAJO "0" #20	
Section 22	Township 41N	Range 30E	Meridian Gila & Salt River
Footages 592'S 2174'+W		County/State Apache, Az.	
Elevation 5017'	Requested by MR. MONTALBAN		
The above plat is true and correct to the best of my knowledge and belief.			
 Gerald G. Huddleston, L.S.			

MOUNTAIN STATES RESOURCES, INC.
Navajo Tribal "O" No. 20
E/4 SW/4 Sec. 22, T41N, R30E
Apache County, Arizona
Figure 1

RECEIVED
AUG 8 1983
O & G CONS. COMM.





PERMIT TO DRILL

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

To: MOUNTAIN STATES RESOURCES, INC..
(OPERATOR)

to drill a well to be known as

#20 Navajo-0
(WELL NAME)

located 592' FSL & 2174' FWL

Section 22 Township 41N Range 30E, APACHE County, Arizona.

The SE $\frac{1}{2}$ SW $\frac{1}{2}$ 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 8th day of August, 1983.

OIL AND GAS CONSERVATION COMMISSION

By [Signature]
EXECUTIVE DIRECTOR

PERMIT 00244

RECEIPT NO. 2434

A.P.I. NO. 02-001-20282

State of Arizona
Oil & Gas Conservation Commission
Permit to Drill

FORM NO. 27

SEE ATTACHED: REPORT ON PROPOSED OPERATIONS



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
1645 WEST JEFFERSON, SUITE 420
PHOENIX, ARIZONA 85007
PHONE: (602) 271-5161

August 9, 1983

Mountain States Resources, Inc.
Oil & Gas Exploration & Production
CBM Building
Box 176
Cut Bank, Montana 59427

RE: State Permit 843, 18 Navajo-0 - Apache County
State Permit 844, 20 Navajo-0 - Apache County

Gentlemen:

Enclosed are approved Applications for Permit to Drill, receipts, Permits to Drill and Reports on Proposed Operations for the above referenced wells.

If we may be of further assistance, please advise.

Sincerely,

R.A. Ybarra

R. A. Ybarra
Enforcement Director

/bha

Enclosures

93-5-36 231	2500			8/8/83	Mountain View Business	Account # 844	K/A
BANK TRAN NO.	\$ CHECKS	\$ CASH	NET	DATE	NAME	DESCRIPTION	RECEIVED BY
<small>IF (CIRCLED) INDICATED CASH RETURNED FOR ADJUSTMENT TO NET AMOUNT OF ACTUAL PAYMENT</small>							

2434

INVALID WITHOUT SIGNATURE

OIL AND GAS CONSERVATION COMMISSION
 STATE OF ARIZONA
 1645 WEST JEFFERSON; SUITE 420
 PHOENIX, ARIZONA 85007

Pete Barnes

SIGNATURE

RETAIN THIS RECEIPT
 FOR YOUR RECORDS

MOUNTAIN STATES
RESOURCES, INC.

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

CTB- 10062

DELUXE - FORM WV-3 V-2

DATE	DESCRIPTION	AMOUNT
July 30, 1983	Filing fee for Application for Permit to Drill Navajo "0" #20 Well located on the Navajo Tribal N00-C-14-20-4433, more particularly located in the SE/4 SW/4 Section 22 - T41N - R30E, Apache County Arizona.....	\$25.00

7/30/83



MOUNTAIN STATES RESOURCES, INC.

A Subsidiary of MSR Exploration Ltd.

OIL & GAS EXPLORATION & PRODUCTION
OPERATING IN THE ROCKY MOUNTAINS
CBM Building - Box 176 - Cut Bank, Montana 59427 - (406) 873-2235

August 2, 1983

P/D 544

RECEIVED

AUG 8 1983

O & G CONS. COMM.

Mr. R. A. Ybarra
STATE OF ARIZONA
Oil & Gas Conservation Commission
Suite #420 - 1645 West Jefferson
Phoenix, Arizona 85007

Dear Mr. Ybarra:

RE: Mountain States Resources, Inc.
Application for Permit to Drill
Navajo "O" #20 Well
Apache County, Arizona

Enclosed please find four (4) copies of the above described Application for Permit To Drill, together with our check #10062, in the amount of \$25.00, covering the filing fee.

We will appreciate your returning two copies of the approved Application for our files.

Thanking you for your kind attention to this matter, I remain

Yours very truly,

MOUNTAIN STATES RESOURCES, INC.

Cora Belle Montalban

Cora Belle Montalban - Secretary

CBM/me
Encs: (4)