

CONFIDENTIAL

Release Date 12-16-95

ACCO

THE TOWNSEND CO. 26-1 STATE
NW NE 26-19N-13E, Coconino Co. (886)

COUNTY COCONINO AREA WINSLOW LEASE NO. STATE

WELL NAME THE TOWNSEND CO. 26-1 STATE

LOCATION NW NE SEC 26 TWP 19N RANGE 13E FOOTAGE 3500' FWL & 467' FNL
 STATUS DRY TOTAL
 ELEV 5250' GR KB SPUD DATE 5/18/95 COMP. DATE 6/16/95 DEPTH 2960'

CONTRACTOR BJ DRILLING, BENSON AZ

CASING SIZE	DEPTH	CEMENT	LINER SIZE & DEPTH	DRILLED BY ROTARY	DRILLED BY CABLE TOOL	PRODUCTIVE RESERVOIR	INITIAL PRODUCTION
14"	14'	10 sxs		YES			
8 5/8"	500'	240 sxs				NONE	NONE

FORMATION TOPS	DEPTHS	SOURCE		REMARKS
		L.L.	E.L.	
<i>Triassic Mesaverde</i>	<i>Surf</i>			<i>Tops by Ed Heylman & Steve Rauzi</i>
<i>Perm Karakoram</i>	<i>55'</i>			<i>possible oil zones</i>
<i>Perm Colonia</i>	<i>180'</i>			<i>1622-1634</i>
<i>Perm Supai</i>	<i>1250'</i>			<i>1737-1746</i>
<i>Perm Hopewell zone</i>	<i>1620-1750</i>			
<i>Perm Naco</i>	<i>2975</i>			
<i>TD</i>	<i>2960</i>			

ELECTRIC LOGS	PERFORATED INTERVALS	PROD. INTERVALS	SAMPLE LOG
SP-RESISTIVITY			YES
GR-NEUTRON-CALIPER			SAMPLE DESCRP. YES
			SAMPLE NO. 1878
			CORE ANALYSIS NONE
			DSTs NONE

REMARKS WELL TURNED OVER TO WATER WELL, CMT PLUG FROM 1300'-1000' APP. TO PLUG YES
 PLUGGING REP. YES
 COMP. REPORT YES

WATER WELL ACCEPTED BY ROBERT PROSSER (BAR T BAR RANCH)

BOND CO. BANK ONE ARIZONA, NA BOND NO. 4002292
 DATE 4/4/95 ORGANIZATION REPORT YES
 BOND AMT. \$ 10,000.00 CANCELLED 7/28/95 WELL BOOK PLAT BOOK
 FILING RECEIPT 3077 LOC. PLAT YES DEDICATION N 1/2 of NE 1/4
 API NO. 02-005-20033 DATE ISSUED 4-6-95

PERMIT NUMBER 886

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 THE TOWNSEND CO.		Address 2925 WOODLAKE ABILENE, TX 79606	
Federal, State or Indian Lease Number or name of lessor if free lease 13-24542		Well Number 26-1	Field & Reservoir ---
Location 3500' FWL & 467' FNL		County COCONINO	
Sec. TWP-Range or Block & Survey 26 - 19N - 13E			
Date spudded 5-18-95	Date total depth reached 6-16-95	Date completed, ready to produce *	Elevation (DF, RKB, RT or Gr.) 5250 GR feet
Elevation of casing hd. flange 1 feet			
Total depth 2960'	P.B.T.D. 1000'	Single, dual or triple completion? ---	If this is a dual or triple completion, furnish separate report for each completion.
Producing interval (s) for this completion ---		Rotary tools used (interval) ✓	Cable tools used (interval) X
Was this well directionally drilled? No	Was directional survey made? No	Was copy of directional survey filed? No	Date filed ---
Type of electrical or other logs run (check logs filed with the commission) SP/E-105 & GR-NEUTRON, mud logs			Date filed 6-16-95

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
CONDUCTOR	20" 20"	14"	30	14'	25	---
SURFACE	12 1/4"	8 3/8"	23	500	240	NONE

TUBING RECORD

LINER RECORD

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

PERFORATION RECORD

ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD

Number per ft.	Size & type	Depth Interval	Amt. & kind of material used	Depth Interval
---	---	---	---	---

INITIAL PRODUCTION

Date of first production N/A		Producing method (indicate if flowing, gas lift or pumping--if pumping, show size & type of pump:)					
Date of test	Hrs. tested	Choke size	Oil prod. during test bbls.	Gas prod. during test MCF	Water prod. during test bbls.	Oil gravity *API (Corr)	
Tubing pressure	Casing pressure	Cal'cd rate of Production per 24 hrs.	Oil bbls.	Gas MCF	Water bbls.	Gas-oil ratio	

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

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the OWNER of the THE TOWNSEND CO. (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 6-26-95 Signature [Signature]

* Well turned over to Bar-T-Bar Ranch as water well on 7-5-95

Permit No.

886

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Well Completion or Recompletion Report and Well Log
Form No. 4 File One Copy

DETAIL OF FORMATIONS PENETRATED

FORMATION	TOP	BOTTOM	DESCRIPTION*
Triassic Moenkopi	Surf.	55'	Red siltstone + sandstone
Permian Kaibab ls.	55'	180'	Tan limestone
Perm. Coconino ss.	180'	1250'	White sand + sandstone
Perm. Supai	1250'	2875'	Red siltstone, sandstone, dolomite
Perm. Ft. Apache ls.	1620'	1750'	Upper + lower ls. lens 20-25' thick
Perm. Naco	2875'	2960' TD.	Red

* 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 & Gas Conservation Commission not later than thirty days after project completion.

Form No. 4

MIKE MORFORD

2003 Indian Heights
Wichita Falls, Texas 76309
(940) 691-9769

December 10, 1999

Mr. Gus Berry
PO Box 730
Okmulgee, Ok 74447
(918) 756-4416



Dear Mr. Berry:

Danny Stivers asked me to perform an analysis of the logs on your 26-1 State Lease 13-104416 well in Coconino County Arizona. I have performed this analysis and the following are my conclusions.

DEVONIAN (3407' TO 3754')

The Devonian section is composed primarily of dolomite and shale with two notable exceptions. The zones at 3454' to 3460' and 3613' to 3618' contain a significant amount of quartz. The neutron-density crossover on the original logs is due to lithology and not the presence of hydrocarbons in the upper zone from 3454 to 3460. The effective porosity of the zone is 6 to 8% with little indication of permeability. Water saturation is in the area of 60 %.

The zone from 3613' to 3618' has porosity in the range of 12 to 14%. I believe that there is a good possibility that there is oil or gas on top of water in this zone however it would be almost impossible to produce without being overrun by water. It also appears that there is a fractured zone from 3608 to 3612'. I think that the hot GR spike is caused by fluid movement depositing uranium salts rather than a shale streak.

I think that the best chance for production in the Devonian section is in the 3724' to 3754' zone. The resistivity curves and the caliper both indicate good permeability. My best estimate of water saturation is 40%. I would perforate from 3724 to 3728 with deep penetrating charges to test this section.

MISSISSIPPIAN (3250' TO 3407')

The logs indicate this section to be mainly tight limestone with some sections of dolomite. I found no indications that this section would be hydrocarbon productive.

PENNSYLVANIAN (2361' TO 3250')

No indications of production.

PERMIAN (510' to 2361')

There appear to be freshwater sands from casing to 1470'. The connate water becomes more brackish from 1470' to 2310. There are two zones of interest in this section. The first is from 1635' to 1645' and the second is from 1752' to 1757'. The upper zone is known as the Ft. Apache and the lower is the Amos Wash. Both of these zones contain a significant amount of

September 10, 1994

evaporite as evidenced by the high neutron reading and low GR. The usual result of a high concentration of evaporates is a lowering of effective porosity and permeability. Although both zones are marked as pay on the computed log, I would not recommend a completion attempt in either of these zones.

Please do not hesitate to call or write if I may be of further service to you.

Sincerely,



Mike Morford

QLA 2 - TVD LOG

Company: Gus Berry
Well: 26-1 State Lease 13-104416
Field: Wildcat
County: Coconino
State: AZ
Country: Coconino

Location: 467 FNL & 3500 FWL N 1/2 OF NE 1/4 18 MILES WEST OF WINSLOW
Section: 26 **Township:** 19N **Range:** 13E **API No.:** 202-052-0033
Permanent Datum: GL; **Elevation:** 5250 **EKB:** 5250
Log Measured From: KB, 8 above Perm. Datum **EDF:** 5258
Drilling Measured From: KB **EGL:** 5250

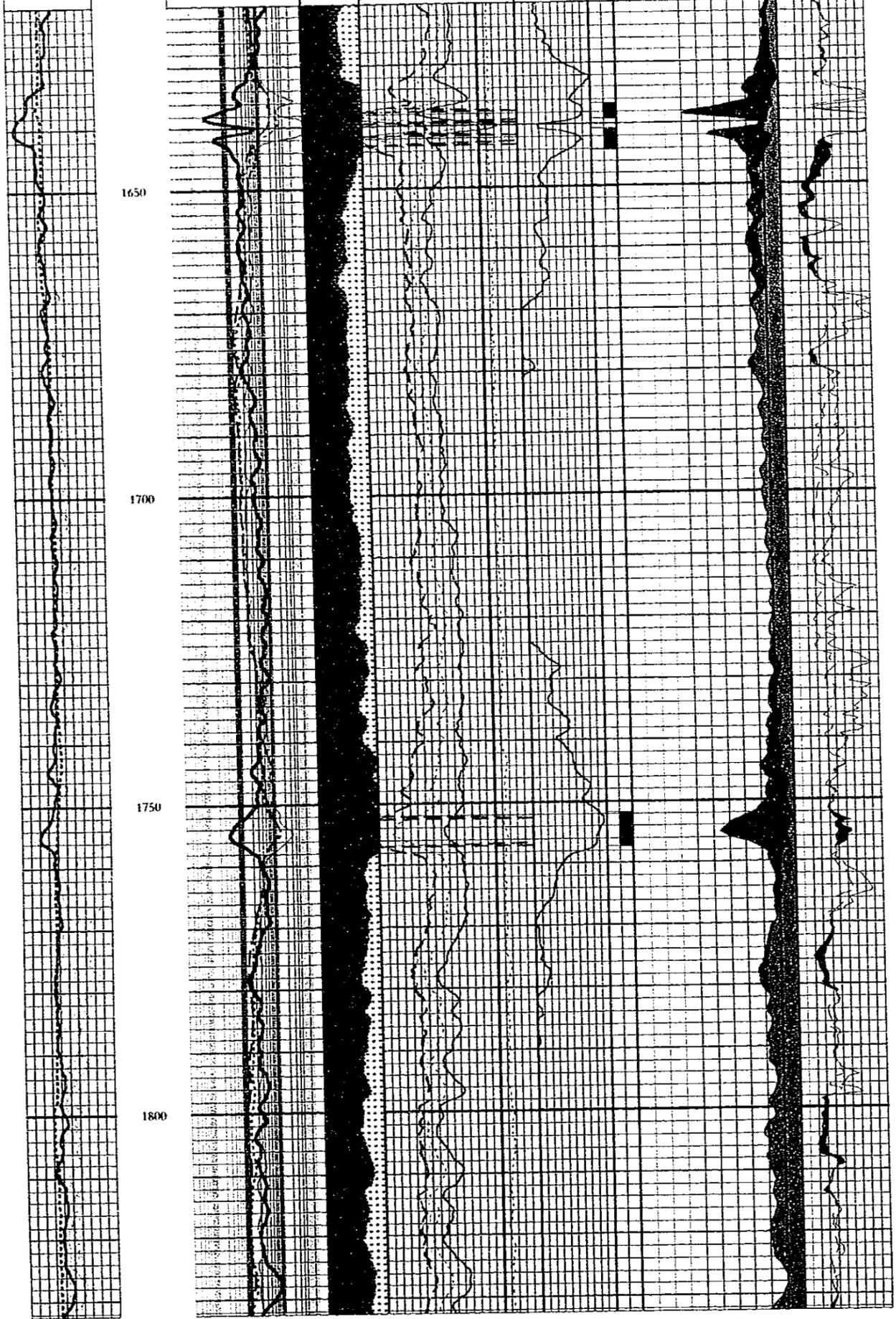
Description	Run 1	Run 2	Run 3	Run 4
Date	10-18-99			
Run Number	One			
Bit Size	6.25			
Type Fluid	Gel			
Mud Density	8.9			
Mud Viscosity	54			
Mud pH	--			
Mud Fluid Loss	--			
Mud Resistivity	4.92			
Mud Sample Temp.	49			
Mud Filtrate Res.	2.8			
Mud Filtrate Temp.	49			
BHT	100			
Max Rec Temp	100			
Rmf at BHT				
Rm at BHT				

Remarks:

Disclaimer:
 Interpretations are opinions based upon inferences from electrical or other measurements and algorithms, empirical relationships, and assumptions which are not infallible and with respect to which log analysts may differ. Accordingly, we cannot and do not guarantee the accuracy or correctness of any interpretation and shall not be liable or responsible for any losses, costs, damages, or expenses incurred or sustained by anyone resulting from any interpretation made by any of our officers, agents, or employees.

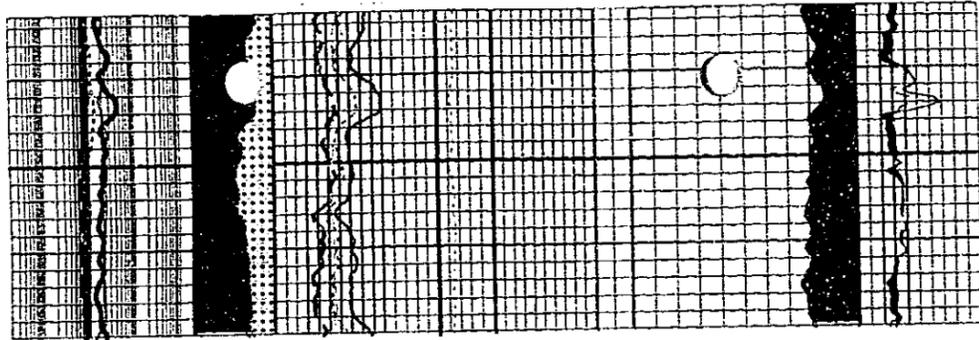
CORR	
CALL	(m) 14.0
DGA	(gm/cc) 3.0
GR	(API) 150.0
SWB	(V/V) 1.0
RFA	(Ohm) 0.5

RES	LIT	POROSITY	Sw	F	VO ANAL	ML
ILD	Sandstone	PHIA	SWE	Yellow	WE	MINOR
0.2 (Ohm) 2000.0		(V/V)	1.0 (V/V) 0.1	0.5	(V/V)	0.0 0.0 (OHMM) 0.0
SGRDA	Dols. U	PHID		PAY	PHIE	MINV
0.2 (OHMM) 2000.0		(V/V)		0.5	(V/V)	0.0 0.0 (OHMM) 0.0
ILM	Limestone	PHIS			HC	Blue
0.2 (Ohm) 2000.0		(V/V)				
RC		XOVER			Free Water	
0.2 (Equation) 2000.0						
		DRHO				
		0.75 (gm/cc)	0.25			
		PEF				
		0.0 (bars/elec)	10.0			
		NPHI				
		0.3 (V/V)	-0.1			





1850



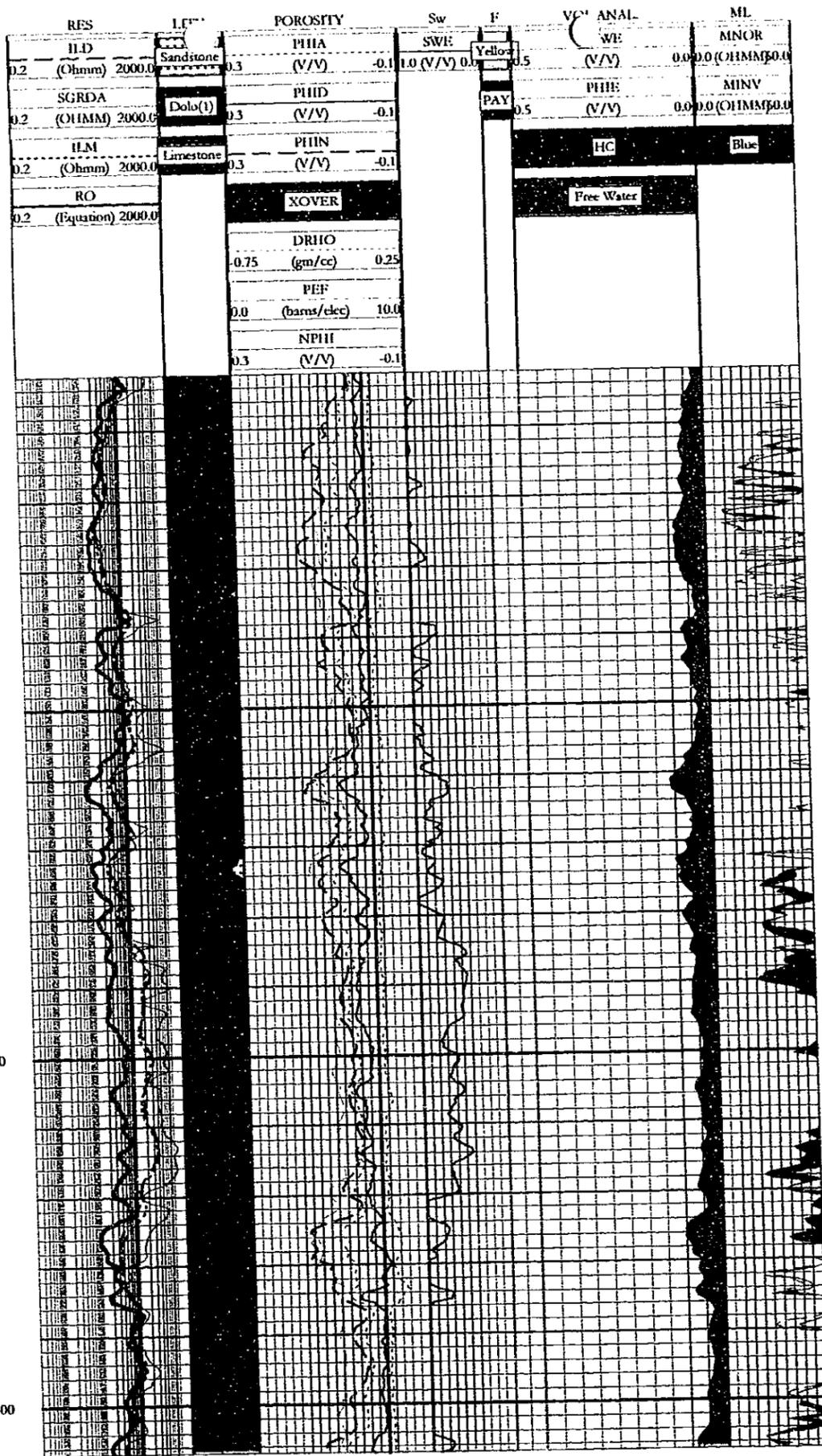
USER DEFINED CURVE EQUATIONS:

```
RT :          ILD[]
PORDens :     PHID[]
PORNeut :     NPHI[]
PHID :        (RHOM - RHOB[]) / (RHOM - RHOF)
PHIA :        (PORDens[] + PORNeut[]) / 2
VSHL :        MIN(1,MAX(0,(GR[] - GRcIn)/(GRsh1 - GRcIn)))
PHIE :        PHIA[] * (1 - VSHL[])
RO :          a * RW / (PHIE[])^m
SW :          (RO[] / RT[])^0.5
RWA :         RT[] * PHIA[] ^ m
TOTPAY :      PHIE[] >= .12 & BVWE[] <= .06
```

USER DEFINED CONSTANTS:

```
a :          1
GRcIn :      20
GRsh1 :     100
m :          2
RHOF :      1
RHOM :      2.71
RW :        0.2
```

CORR*	
CAII	(m) 14.0
DGA	(gm/cc) 3.0
GR	(API) 150.0
SVB	(V/V) 1.0
RFA	(Ohm) 0.5



USER DEFINED CURVE EQUATIONS:

RT : ILD[]
 PORDens : PHID[]
 PORNeut : NPHI[]

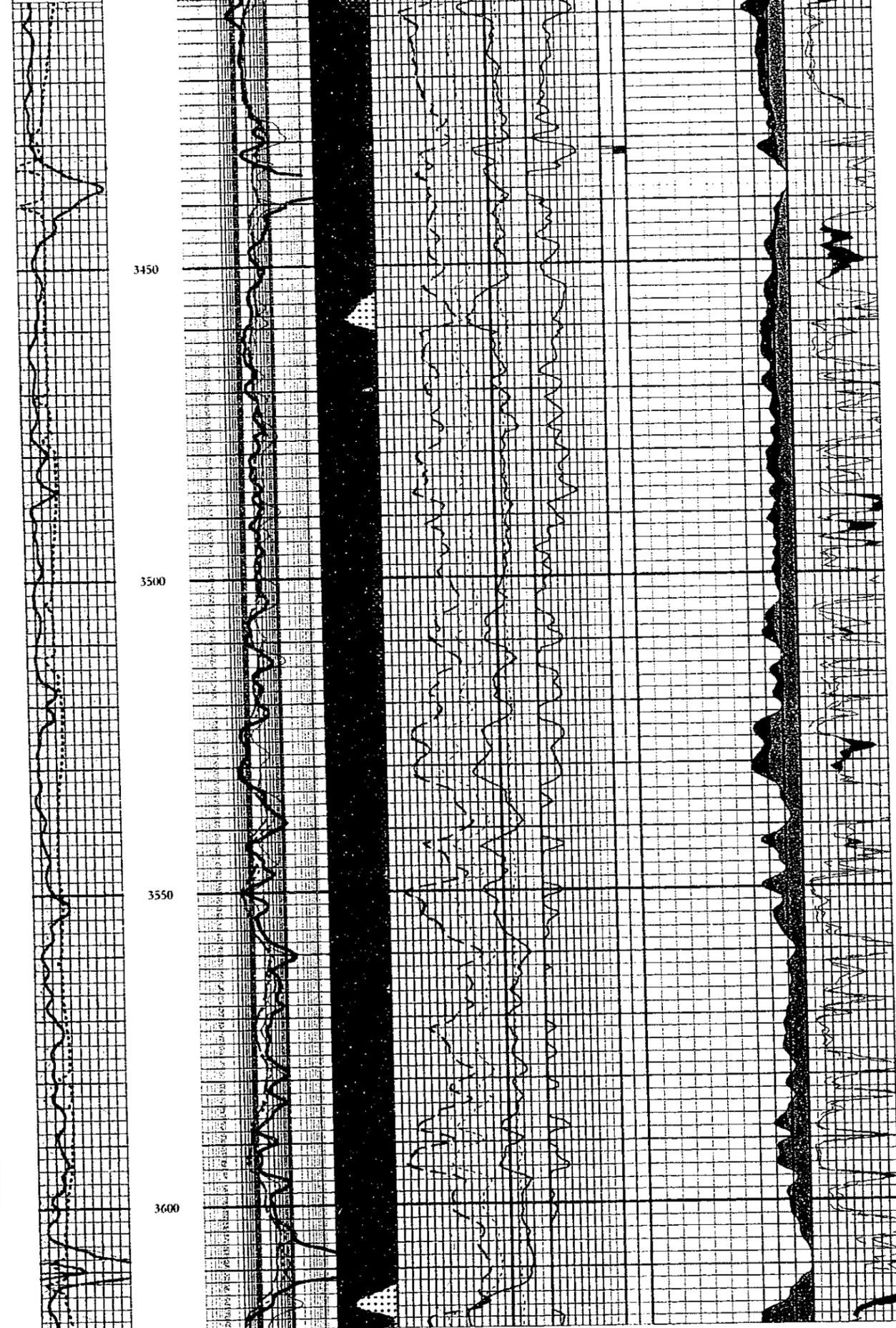
PHID : (RHOM - RHOP[]) / (RHOM - RHOF)
PHIA : (PORDens[] (PORNeut[]) / 2
VSHL : MIN(1, MAX(0, (GR[] - GRcln) / (GRshl - GRcln)))
PHIE : PHIA[] * (1 - VSHL[])
RO : a * RW / (PHIE[])^m
SW : (RO[] / RT[])^0.5
RWA : RT[] * PHIA[] ^ m
TOTPAY : PHIE[] >= .08 & BVWE[] <= .03

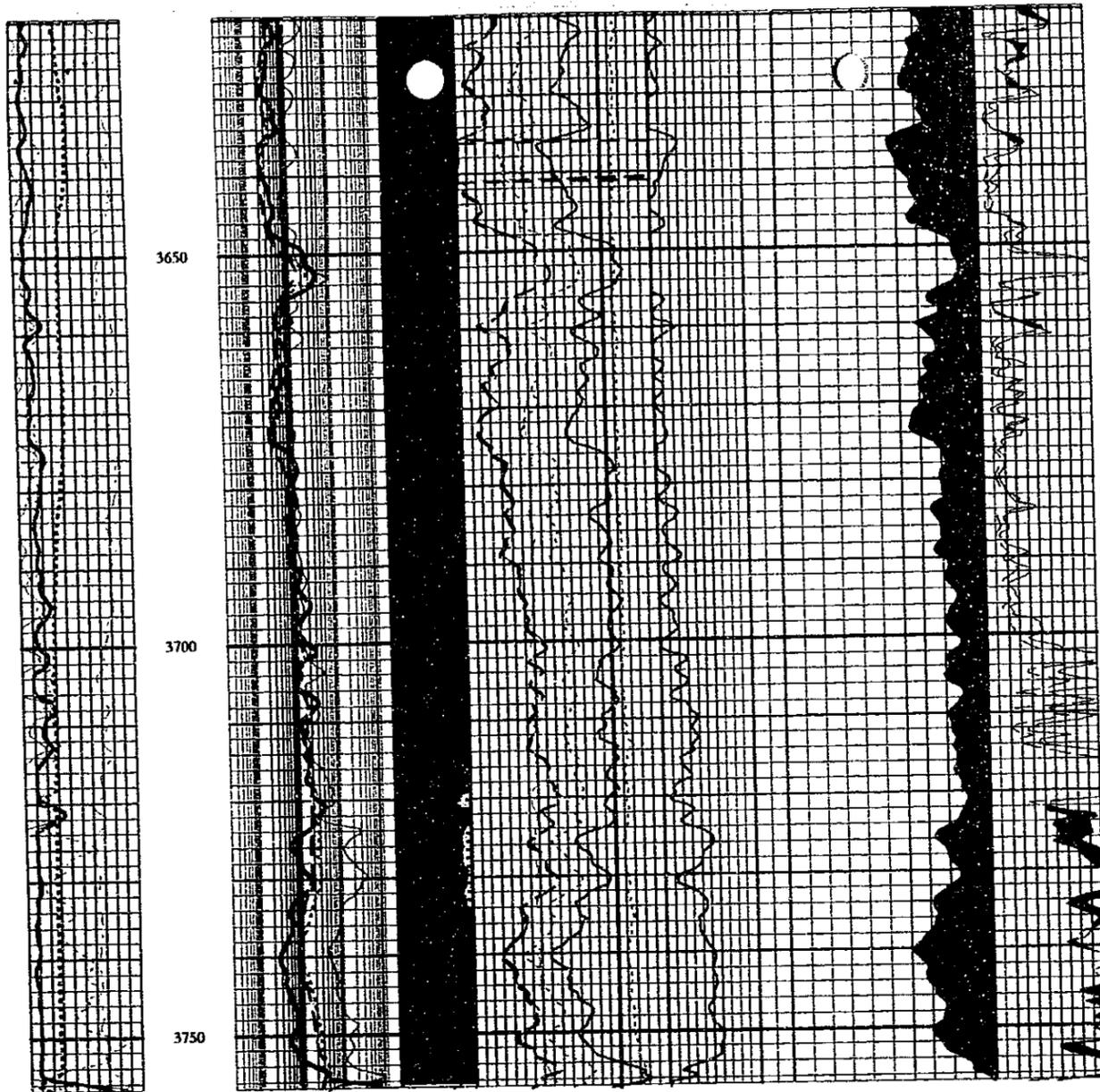
USER DEFINED CONSTANTS:

a : 1
GRcln : 20
GRshl : 100
m : 2
RHOF : 1
RHOM : 2.71
RW : 0.1
RW : 0.1

CORR
CALL
4.0 (in) 14.0
DGA
2.5 (gm/cc) 3.0
GR
0.0 (API) 150.0
SWB
0.0 (V/V) 1.0
RFA
0.0 (Ohm) 0.5

RES	LIT	POROSITY	Sw	F	ANAL	ML
ILD	Sandstone	PHIA	SWE	Yellow	JWE	MINOR
0.2 (Ohm) 2000.0		0.3 (V/V)	0.1 (V/V)	0.5	(V/V)	0.0 (OHMM) 0.0
SGRDA	Dolo(1)	PHID		PAY	PHIE	MINV
0.2 (OHMM) 2000.0		0.3 (V/V)		0.5	(V/V)	0.0 (OHMM) 0.0
ILM	Limestone	PHIN			HC	Blue
0.2 (Ohm) 2000.0		0.3 (V/V)				
RO		COVER			Free Water	
0.2 (Equation) 2000.0						
		DRHO				
		0.75 (gm/cc)	0.25			
		PEF				
		0.0 (bars/elec)	10.0			
		NPHI				
		0.3 (V/V)	-0.1			





USER DEFINED CURVE EQUATIONS:

```

RT :          ILD[]
PORdens :     PHID[]
PORNeut :     NPFI[]
PHID :        (RHOM - RHOB[]) / (RHOM - RHOF)
PHIA :        (PORdens[] + PORNeut[]) / 2
VSHL :        MIN(1, MAX(0, (GR[] - GRcln) / (GRshl - GRcln)))
PHIE :        PHIA[] * (1 - VSHL[])
RO :          a * RW / (PHIE[])^m
SW :          (RO[] / RT[])^0.5
RWA :         RT[] * PHIA[] ^ m
TOTPAY :     PHIE[] >= .08 & BVWE[] <= .03
  
```

USER DEFINED CONSTANTS:

```

a :          1
GRcln :      20
GRshl :      100
m :          2
RHOF :       1
RHOM :       2.71
RW :         0.1
RW :         0.06
  
```

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

Gus Berry

NAME OF COMPANY OR OPERATOR

PO Box 730 Okmulgee OK 74447 918 756-4416

Address

City

State

Phone Number

Key Energy

Drilling Contractor

PO Box 900 5651 US Hwy 64 FARMINGTON NM 87499

Address

DESCRIPTION OF WELL AND LEASE

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

State Lease # 13-104416

Well number

26-1

Elevation (ground)

5250'

Nearest distance from proposed location to property or lease line:

467'

feet

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

None

feet

Number of acres in lease

640

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

None

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

N/A

Name

Address

Well location (give footage from section lines)

3500' FWL & 467' FNL

Section - township - range or block and survey

26 19N-13E

Dedication [A.A.C. R12-7-104(A)(3)]

N/2 OF NE 1/4

Field and reservoir (if wildcat, so state)

Wildcat

County

COCONINO

Distance in miles and direction from nearest town or post office

18 W WINSLOW

Proposed depth:

3500'

Rotary or cable tools

ROTARY

Approximate date work will start

9-28-99

Bond status

Receipt # 3107

Organization Report

Filing Fee of \$25.00

Amount

10,000 CD

On file

Or attached

Attached

Remarks

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Gus Berry 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.

API # 02-005-20033

Signature

Date

Mail completed form to:
Oil and Gas Program Administrator
Arizona Geological Survey
418 W. Congress, #100
Tucson, AZ 85701-1315

Permit Number: 886
Approval Date: 9-27-99
Approved By: Steven L. Rainey

**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

1. Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
2. A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
4. Is the operator the only owner in the dedicated acreage outlined on the plat below? YES NO
5. If the answer to question four is "no", have the interests of all owners been consolidated by communitization agreement or otherwise? YES NO If answer is "yes", give type of consolidation _____
6. If the answer to question four is "no", list all the owners and their respective interests below.

Owner	Land Description
	<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>Name _____</p> <p>Position _____</p> <p>Company _____</p> <p>Date _____</p> <p>I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed MAR 9 1995</p> <p>Registered Land Surveyor Robert Beamish</p> <p>Certificate No. 14165</p>

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
6 5/8	24#		Top	500'	600' to Top	450	"A"

ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual

Gus BERRY

Mailing Address and Phone Number

PO Box 730 Okmulgee OK 74447

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

Individual

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

Oil & Gas

If a reorganization, give name and address of previous organization

N/A

If a foreign corporation, give (1) State where incorporated

N/A

(2) Name and mailing address of state agent

(3) Date of permit to do business in state

Principal Officers or Partners (if partnership) NAME

TITLE

MAILING ADDRESS

MADINE BERRY

Daughter

PO Box 730 Okmulgee OK 74447

DIRECTORS NAME

MAILING ADDRESS

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Gus BERRY 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.

Signature

Gus Berry
Sept 27, 1999

Date

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

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

October 1, 1999

Mr. Gus Berry
P. O. Box 730
Okmulgee OK 74447

Dear Gus:

Please fill out the enclosed vendor setup form per the attached instructions and the Taxpayer Identification Number and Certification form. These are necessary for eventual reimbursement of your performance bond.

Please call if you have questions.

Sincerely,

A handwritten signature in cursive script that reads "Steven L. Rauzi".

Steven L. Rauzi
Oil & Gas Administrator

Enclosures

**Request for Taxpayer
Identification Number and Certification**

Give form to the
requester. Do NOT
send to the IRS.

Name (If joint names, list first and circle the name of the person or entity whose number you enter in Part I below. See instructions on page 2 if your name has changed.)
GUS BERRY

Business name (Sole proprietors see instructions on page 2.)
SIMS

Please check appropriate box: Individual/Sole proprietor Corporation Partnership Other

Address (number, street, and apt. or suite no.)
PO Box 730

City, state, and ZIP code
OKMULGEE, OKLA 74447

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). For sole proprietors, see the instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see How To Get a TIN below.

Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Social security number
415 114 3117

OR

Employer identification number
11111111

List account number(s) here (optional)

Part II For Payees Exempt From Backup Withholding (See Part II instructions on page 2)

Part III Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions.—You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, the acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (Also see Part III instructions on page 2.)

Sign Here | Signature Gus Berry | Date 10-2-94

Section references are to the Internal Revenue Code.

Purpose of Form.—A person who is required to file an information return with the IRS must get your correct TIN to report income paid to you, real estate transactions, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. Use Form W-9 to give your correct TIN to the requester (the person requesting your TIN) and, when applicable, (1) to certify the TIN you are giving is correct (or you are waiting for a number to be issued), (2) to certify you are not subject to backup withholding, or (3) to claim exemption from backup withholding if you are an exempt payee. Giving your correct TIN and making the appropriate certifications will prevent certain payments from being subject to backup withholding.

Note: If a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

What Is Backup Withholding?—Persons making certain payments to you must withhold and pay to the IRS 31% of such payments under certain conditions. This is called "backup withholding." Payments that could be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, your payments will not be subject to backup withholding. Payments you receive will be subject to backup withholding if:

- You do not furnish your TIN to the requester, or
- The IRS tells the requester that you furnished an incorrect TIN, or
- The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
- You do not certify to the requester that you are not subject to backup withholding under 3 above (for reportable interest and dividend accounts opened after 1983 only), or
- You do not certify your TIN. See the Part III instructions for exceptions.

Certain payees and payments are exempt from backup withholding and information reporting. See the Part II instructions and the separate **Instructions for the Requester of Form W-9**.

How To Get a TIN.—If you do not have a TIN, apply for one immediately. To apply, get Form SS-5, Application for a Social Security Number Card (for individuals), from your local office of the Social Security Administration, or Form SS-4, Application for Employer Identification Number (for businesses and all other entities), from your local IRS office.

If you do not have a TIN, write "Applied For" in the space for the TIN in Part I, sign and date the form, and give it to the requester. Generally, you will then have 60 days to get a TIN and give it to the requester. If the requester does not receive your TIN within 60 days, backup withholding, if applicable, will begin and continue until you furnish your TIN.

AFIS II VENDOR SETUP

VENDOR NUMBER	3-452-14-3171			MAIL CODE	
VENDOR NAME	Gus Berry				
ADDRESS	P.O. Box 730 ORANGE, ORIA.				
CITY	ORANGE	STATE	ORIA	ZIP	
VENDOR TYPE:	OWNERSHIP CODE:				
1. Employee	A. Arizona Corporation				
2. Federal Agency	C. Professional Corp.				
3. State Agency	E. State Employee				
4. Local Gov't	F. Financial Institution				
5. Vendor-Business	G. Government Entity				
6. Vendor-Individual	(I) Individual Recipient				
7. Other	N. Medical Corporation				
	O. Out of State Corp.				
	P. Professional Assoc.				
	R. Foreign				
	S. Sole Owner				
	T. Partnership				
AGENCY IDENTIFICATION CODE	_____				
AUTHORIZED AGENCY SIGNER	_____				
AGENCY PHONE NUMBER	_____				
ALTERNATE NAME(S)	NONE				
1.	_____				
2.	_____				
3.	_____				
4.	_____				
VENDOR CONTACT	Gus Berry				
PHONE NUMBER	918-756-1918				
FAX NUMBER	None				
SALES TAX LICENSE	None				
1099 CRITERIA	Does the vendor provide a service? Is the vendor not a corporation? Is the vendor a non-employee?				
	If the answer to these three questions is YES there must be a Y in the 1099 indicator box.				
1099 INDICATOR (Y OR N) =	<input type="checkbox"/>				

Thursday, September 30, 1999

Murger Oilgram, Page 9

**Ocean Energy Resources, Inc. "Pioneer Unit" 1702-15DA
15-17N-2W SM, Fr SE cor 527'W 1354'N (Straight hole)
9-5/8c.675 7c.4235 50-009-20015 Directional
4235 Cmtd 9-5/8" csg at 675'. Drilled to TD. Ran
7" csg at 4235'. Released rig aprx.9/6/99.
Perforating. Map:AL-6 (WTR DISPOSAL)

*Ocean Energy Resources, Inc. "Pioneer Unit" 1702-15DD
15-17N-2W SM, Fr SE cor 171'N 793'W (Straight hole)
50-009-20017 Map:AL-6 (CONFIRMATION)
Issued permit #99-066 on 8/5/99.

*Ocean Energy Resources, Inc. "Pioneer Unit" BLT-01
22-17N-3W SM, Fr NW cor 793'S 1333'E (Straight hole)
9-5/8c.4507 50-009-20006-90 Map:AL-6 (NFW)
(Originally ARCO and Amoco each held a 50%
interest.) (Rowan Drlg) S-1/4/92 Rig rel-3/24/92
6200 Moved in for re-entry.

SWANSON RIVER

Union Oil Co. of CA "Soldotna Creek Unit" 22-04
4-7N-9W SM, Fr SW cor 2015'N 2070'E (Surface)
4-7N-9W SM, Fr NW cor 2155'S 2446'E (est.BHL-RD)
11-3/4c.1417 7W.10270 50-133-10106-01 Directional
(Reading & Bates) S-4/12/61 Comp-6/1/61 Map:AL-6
Rsm-09/11/99 (Inlet Drlg #1)
11330 Redrilled. Deepened from 10775'. Lost hole.
Plugged back to kickoff again from the same window.

COLVILLE RIVER UMIAT MERIDIAN

ARCO Alaska Inc. "Colville River Unit" CD1-26
5-11N-5E UM, Fr NW cor 401'S 2398'E (Surface)
9-11N-5E UM, Fr NW cor 1510'S 1738'E (est.BHL)
16c.114 9-5/8c.2674 7c.8553 50-103-20305 Map:AL-2
S-09/17/99 (Doyon Drlg #19) Directional
8586 Drilled. Cmtd 7" csg at 8553'.

KUPARUK RIVER

ARCO Alaska Inc. "Kuparuk River Unit" 1D-14
14-11N-10E UM, Fr SE cor 209'N 595'W (Surface)
14-11N-10E UM, Fr NW cor 971'S 2493'E (est.BHL)
16c.115 9-5/8c.4934 50-029-22950 Directional
S-09/21/99 (Pool Arctic #6) Map:AL-4
6290 Cmtd 9-5/8" csg at 4934'. Drilling ahead.

PRUDHOE BAY

ARCO Alaska Inc. "Prudhoe Bay Unit" 07-32A Map:AL-4
33-11N-14E UM, Fr NE cor 919'S 277'W (Surface)
28-11N-14E UM, Fr NE cor 1571'S 566'W (est.BHL)
27-11N-14E UM, Fr NE cor 1659'S 4751'W (BHL-RD)
20c.110 10-3/4c.3286 7-5/8W.???? 7c.????
50-029-22525-01 (Nordic Drlg) Directional
(Nabors Drlg #28E) S-11/28/94 Rig rel-12/23/94
11694 TVD8983 Redrilled. Deepened from 11350' to
TD, no details. Released rig. Recompleted oil well
9/12/99. Status:OIL-09/12/99

ARCO Alaska Inc. "Prudhoe Bay Unit" 15-25A Map:AL-4
22-11N-14E UM, Fr NE cor 1820'S 3863'W (Surface)
22-11N-14E UM, Fr NE cor 1441'S 1154'W (BHL)
22-11N-14E UM, Fr NE cor 3836'S 977'W (est.BHL-RD)
20c.110 10-3/4c.2521 7-5/8W.???? 50-029-21842-01
(Nabors Drlg #28E) S-7/18/88 Rig rel-8/2/88
Rsm-09/18/99 (Nabors Drlg #35) Directional
9760 TVD8934 Resumed 9/18/99 for redrill #1.

BP Expl (Alaska) Inc. "Prudhoe Bay Unit" E-28A
6-11N-14E UM, Fr NE cor 1778'S 883'W (Surface)
1-11N-13E UM, Fr NE cor 155'S 1100'W (BHL)
1-11N-13E UM, Fr NE cor 58'S 622'W (est.BHL-RD)
20c.118 13-3/8c.1790 9-5/8W.???? 7c.???? Map:AL-4
50-029-21753-01 Rsm-aprx-09/23/99 (Nordic Drlg #1)
(Alaska United #2) S-9/19/87 Rig rel-10/21/87
Directional
12504 RD???? Redrilled, no details. Released rig
9/30/99.

BP Expl (Alaska) Inc. "Prudhoe Bay Unit" W-26A
21-11N-12E UM, Fr NE cor 945'S 1446'W (Surface)
17-11N-12E UM, Fr NE cor 506'S 249'W (BHL)
17-11N-12E UM, Fr SE cor 4672'N 579'W (est.BHL-RD)
20c.120 13-3/8c.3021 9-5/8W.???? 50-029-21964-01
(Alaska United #3) S-lam, 7/30/89 Rig rel-8/25/89

OTHER WESTERN STATES

SUNSHINE

*Gus Berry "State" 26-1 02-005-20033 elev:5250'GR
26-19N-13E, Fr NW cor 3500'E 467'S 3500'-est.td
8-5/8c.524 (BJ Drlg Co) S-5/27/95 Rig rel-6/16/95
(State Lease #13-104416) (Key Energy) Map:AZ
2950 Issued permit #886 on 9/27/99 to test and
deepen into the Devonian at 3500'. Planned to start
9/28/99. (NFW)

DIAMOND BUTTE

*Premco Western, Inc. "Dutchman" 18-1 02-015-20030
18-37N-9W, Fr SE cor 1100'N 900'W elev:4925'GR
9-5/8c.375 (Federal Lease #AZA-26138) Map:AZ
6000'-est.td (NFW)
470+ Drilling in Torowep formation.

RYNDON

*Foreland Corp. "North Humboldt Federal" 1-2 Map:NV
2-36N-56E, Fr NE cor 450'S 450'W 27-007-05256
(Federal Lease N-58774) elev:5562'GR (NFW)
6500'-est.td
Issued permit #824 on 9/21/98.

TOMERA RANCH

*V.F. Neuhaus Properties "Ferdelford Canyon" 34-1
34-31N-52E, Fr NE cor 1100'S 4550'W 27-007-05251
(J.R. Bacon Drlg #5) S-8/28/93 Rig rel-9/10/93
(Federal Lease N-46547) elev:5461'GR Map:NV
???? Plan to drill. Conf. (NFW)

BLACKBURN-EAST

*Cleary Exploration LLC "Bruffey Federal" 1-14 (NFW)
14-27N-52E, Fr NE cor 330'S 990'W Map:NV
Filed application for federal permit to drill.

NEWMARK CANYON

*Foreland Corp. "Pine Valley Federal" 42-16 Map:NV
16-29N-52E, Fr NE cor 1825'S 1200'W elev:5217'GR
(Federal Lease #NVN-61504) Conf. (NFW)
Applied for permit to drill 9/2/99. Hope to start
around 10/5/99.

PINE VALLEY

*Foreland Corp. "Hot Creek" 2-7 27-011-05294 Map:NV
7-28N-52E, Fr SE cor 350'W 970'N elev:5224'GR
7000'-est.td (NFW)
Issued permit #825 on 9/25/98.

HYDE WASH

*Falcon Energy LLC/Kriac Energy Inc. "Kriac" 3 (NFW)
18-8N-70E, Fr SE cor 5'W 316'N 27-017-05227 Map:NV
S-01/10/98 (Sierra Drlg #3) elev:5712'GR
2800'-est.td
2800 Testing.

GHOST RANCH

**Makoll, Inc. "Ghost Ranch" 2-21X 27-023-05553
2-8N-57E, Fr NW cor 430'S 2310'E elev:4742'GR
9-5/8c.500 7c.4600aprx S-07/25/97 (Makoll rig #286)
(Federal Lease N-42341) 5000'-est.td Map:NV
4600+ Evaluating. May deepen. (EXT)

LITTLE SMOKY VALLEY

*Alpine Inc. "Needle Springs Federal" 1-35 Map:NV
35-11N-52E, Fr SW cor 660'N 660'E (NFW)
(Federal Lease N-61782)
Filed application to drill.

TRAP SPRING

Makoll, Inc. "Trap Spring" 27-32X 27-023-05555
27-9N-56E, Fr NE cor 2250'S 1700'W elev:4749'GR
S-09/07/99 (Company Rig #286) 5000'-est.td Map:NV
(Federal Lease #N-7381)
4062 TD. Drilled. Logged. Will plug and abandon.

KYLE SPRING

*Evans-Barton, Ltd "Kyle Spring" 11-14 27-027-05005
11-29N-36E, Fr SW cor 1033'N 769'E elev:4786.54'GR
4-1/2c.2500 S-11/06/96 (Humboldt Drlg) Map:NV
(Federal lease N-58388) 2500'-est.td (NFW)
2622 Evaluating. May convert to disposal well.

*Evans-Barton, Ltd "Kyle Spring" 11-43 27-027-05008
11-29N-36E, Fr SE cor 1982'N 656'W elev:4412'GR
4-1/2c.738 S-09/23/98 (Humboldt Drlg) 3000'-est.td

STATE OF ARIZONA

COCONINO COUNTY

*Gus Berry "State" 26-1 02-005-20033 elev:5250'GR
26-19N-13E, Fr NW cor 3500'E 467'S 3500'-est.td
8-5/8c.524 (BJ Drlg Co) S-5/27/95 Rig rel-6/16/95
(State Lease #13-104416) (Key Energy) Map:AZ
2950 Issued permit #886 on 9/27/99 to test and
deepen into the Devonian at 3500'. Planned to start
9/28/99. (NFW)

MOHAVE COUNTY

*Premco Western, Inc. "Dutchman" 18-1 02-015-20030
18-37N-9W, Fr SE cor 1100'N 900'W elev:4925'GR
9-5/8c.375 (Federal Lease #AZA-26138) Map:AZ
6000'-est.td (NFW)
470+ Drilling in Torowep formation.

STATE OF NEVADA

ELKO COUNTY

*Foreland Corp. "North Humboldt Federal" 1-2 Map:NV
2-36N-56E, Fr NE cor 450'S 450'W 27-007-05256
(Federal Lease N-58774) elev:5562'GR (NFW)
6500'-est.td
Issued permit #824 on 9/21/98.

EUREKA COUNTY

*Cleary Exploration LLC "Bruffey Federal" 1-14 (NFW)
14-27N-52E, Fr NE cor 330'S 990'W Map:NV
Filed application for federal permit to drill.

LINCOLN COUNTY

*Falcon Energy LLC/Kriac Energy Inc. "Kriac" 3 (NFW)
18-8N-70E, Fr SE cor 5'W 316'N 27-017-05227 Map:NV
S-01/10/98 (Sierra Drlg #3) elev:5712'GR
2800'-est.td
2800 Testing.

NYE COUNTY

**Makoll, Inc. "Ghost Ranch" 2-21X 27-023-05553
2-8N-57E, Fr NW cor 430'S 2310'E elev:4742'GR
9-5/8c.500 7c.4600aprx S-07/25/97 (Makoll rig #286)
(Federal Lease N-42341) 5000'-est.td Map:NV
4600+ Evaluating. May deepen. (EXT)

PERSHING COUNTY

*Evans-Barton, Ltd "Kyle Spring" 11-14 27-027-05005
11-29N-36E, Fr SW cor 1033'N 769'E elev:4786.54'GR
4-1/2c.2500 S-11/06/96 (Humboldt Drlg) Map:NV
(Federal lease N-58388) 2500'-est.td (NFW)
2622 Evaluating. May convert to disposal well.

PERSHING COUNTY

*Evans-Barton, Ltd "Kyle Spring" 11-43 27-027-05008
11-29N-36E, Fr SE cor 1982'N 656'W elev:4412'GR
4-1/2c.738 S-09/23/98 (Humboldt Drlg) 3000'-est.td

RECEIPT Date September 27 19 99 No. 3107
 Received From Mrs. Berry
 Address PO Box 730, Okmulgee, OK 74447
Ten thousand dollars and 00/100 Dollars \$10,000.00
 For Cash Bond Re-entry Permit #886

ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	<u>10,000.00</u>
AMT. PAID		CHECK	
BALANCE DUE		MONEY ORDER	

By Joyanna Meeker

BK806 Rediform

RECEIPT Date September 27 19 99 No. 3108
 Received From Mrs. Berry
 Address PO Box 730, Okmulgee, OK 74445
Twenty five and 00/100 Dollars \$25.00
 For Filing Application for Re-entry Permit #886

ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	<u>25.00</u>
AMT. PAID		CHECK	
BALANCE DUE		MONEY ORDER	

By Joyanna Meeker

BK806 Rediform

TO: BAR-T-BAR RANCH
BOB & JUDY PROSSER
P.O. Box 190
WINSLOW, AZ 86047

To: Oil and Gas Conservation Commission
c/o Oil and Gas Program Administrator
Arizona Geological Survey
845 North Park Avenue, Suite 100
Tucson, Arizona 85719

This is to advise you that I accept the abandoned oil or gas exploration well, known as the THE TOWNSEND Co. 26-1, located on the NE (quarter-quarter) of Section 26, Township 19N, Range 13E, County of CORONADO, Arizona, as a domestic water well.

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

I understand that I am responsible for compliance with the provisions of the State Water Code, Chapter 1, Title 45, *Arizona Revised Statutes* and with any applicable requirements of the federal government.

Signature BAR T BAR Ranch Inc
Address P.O. Box 190
Winslow Az 86047

* * * * *

State of Arizona
County of Navajo

On this, the 5 day of July, 1995, before me C. Estudillo, the undersigned officer, personally appeared ROBERT E. PROSSER, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purpose stated therein contained.

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

Notary Public C. Estudillo

My commission expires My Commission Expires April 30, 1998



OIL & GAS CONSERVATION COMMISSION
WATER WELL ACCEPTANCE
FORM 26 - File one copy

Permit Number
886

STATE: ARIZONA
COUNTY: COCONINO
API 02-005-20033
FIELD: WILDCAT
WELL CLASS: WF
OPR: TOWNSEND CO

19N-13E 26
NW NE
467 FNL 3500 FWL
STATUS: D&A

26-1 STATE

SPUD: 05/19/95 COMP: 06/15/95 ELEV: 5250 GR
TD: 2960 (06/14/95) FM/TD: PENNSYLVANIAN
CONTR: B J DRLG RIG #1 (R) (VERTICAL)
PROJ DEPTH/FM: 2700 DEVONIAN PERMIT #886

COMP 6/15/95, D&A. NO CORES OR DSTS.

LOC DESCRIPTION: 75 MI W COCONINO GAS(PINTA DOME 5-19N-26E FLD) 12 MI W WINSLOW, AZ; LAT:
3502395 LONG: 11093198;

CASING: 8 5/8 @ 500;

LOG TOPS:

SUPAI	1150	4100	PENNSYLVANIAN	2910	2340
-------	------	------	---------------	------	------

TD	2960	2290			
----	------	------	--	--	--

SUBSEA MEASUREMENTS FROM GR:

DRLG COMMENTS: LEASESALAZAR DRLG RIG TO DRILL BELOW CASING POINT.
OPER ADD: 4400 BUFFALO GAP RD, ABILENE, TX, 79606 PHONE (915) 692-1436;

COPYRIGHT 1995 PETROLEUM INFORMATION CORPORATION

DATE 08/14/95 CARD # 00001-F COR

PLUGGING RECORD

Operator THE TOWNSEND Co.		Address 2925 WOODLAKE ABILENE, TX 79606			
Federal, State, or Indian Lease Number or lessor's name if fee lease. ST. 13-24542		Well No. 26-1	Field & Reservoir		
Location of Well 3500' FWL & 467' FNL SEC 26 - T19N - R13E		Sec-Twp-Rge or Block & Survey	County COCONINO		
Application to drill this well was filed in name of SAME	Has this well ever produced oil or gas No	Character of well at completion (initial production): Oil (bbbls/day) N/A Gas (MCF/day) Dry? 			
Date plugged: 6-16-95	Total depth 2960	Amount well producing when plugged: Oil (bbbls/day) NONE Gas (MCF/day) Water (bbbls/day) 			
Name of each formation containing oil or gas. Indicate which formation open to wellbore at time of plugging	Fluid content of each formation	Depth interval of each formation	Size, kind & depth of plugs used. Indicate zones squeeze cemented, giving amount cement		
NONE	Fresh w/lt Coconino SS	180' - 1250'	Cmt 1300' - 1000'		
CASING RECORD					
Size pipe	Put in well (ft.)	Pulled out (ft.)	Left in well (ft.)	Give depth and method of parting casing (shot, ripped, etc.)	Packers and shoes
14"	14	-	14		
8 5/8	500'	-	500'		
Was well filled with heavy drilling mud, according to regulations? YES			Indicate deepest formation containing fresh water. COCONINO SD.		
NAMES AND ADDRESSES OF ADJACENT LEASE OPERATORS OR OWNERS OF THE SURFACE					
Name	Address		Direction from this well:		
<p>In addition to other information required on this form, if this well was plugged back for use as a fresh water well, give all pertinent details of plugging operations to base of fresh water sand, perforated interval to fresh water sand, name and address of surface owner, and attach letter from surface owner authorizing completion of this well as a water well and agreeing to assume full liability for any subsequent plugging which might be required.</p> <p>Cmt plug from 1300'-1000', PBTD 1000', well turned over to B-T-Bat Ranch as w/w.</p>					
Use reverse side for additional detail.					
<p>CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <u>OWNER</u> of the <u>THE TOWNSEND Co.</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.</p>					
Date 6-24-95		Signature <i>[Signature]</i>			
Permit No. 00886	STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Plugging Record File One Copy hd 6-29-95				
Form No. 10					

APPLICATION TO PLUG AND ABANDON

FIELD _____

OPERATOR THE TOWNSEND CO ADDRESS 2925 WOODLAKE ABILENE, TX 79606
 Federal, State or Indian Lease Number 1324542 WELL NO. 26-1
 or Lessor's Name if Fee Lease _____

LOCATION 3500' FWL & 467' FNL - SEC. 26 - T19N - R13E COCONINO Co.

TYPE OF WELL DRY HOLE TOTAL DEPTH 2960
 (Oil, Gas or Dry Hole)

ALLOWABLE (If Assigned) _____

LAST PRODUCTION TEST OIL _____ (Bbls.) WATER _____ (Bbls.)
 GAS _____ (MCF) DATE OF TEST _____

PRODUCING HORIZON _____ PRODUCING FROM _____ TO _____

1. COMPLETE CASING RECORD.

14' - 14" - 30 #/FT
 500' - 8 5/8" - 23 #/FT

2. FULL DETAILS OF PROPOSED PLAN OF WORK.

SET CEMENT PLUG ^{1300'} 1200' TO ^{1000'} 900' USING 50 SKS PORTLAND CEMENT - 1/4" PLATE WELDED ON TOP OF 8 5/8" CASING WITH 1" THREADED PLUG

DATE COMMENCING OPERATIONS 5-16-95

NAME OF PERSON DOING WORK BJ DRILLING Co. ADDRESS BENSON, AZ

Signature [Signature]

Title OWNER

Address 2925 WOODLAKE ABILENE, TX 79606

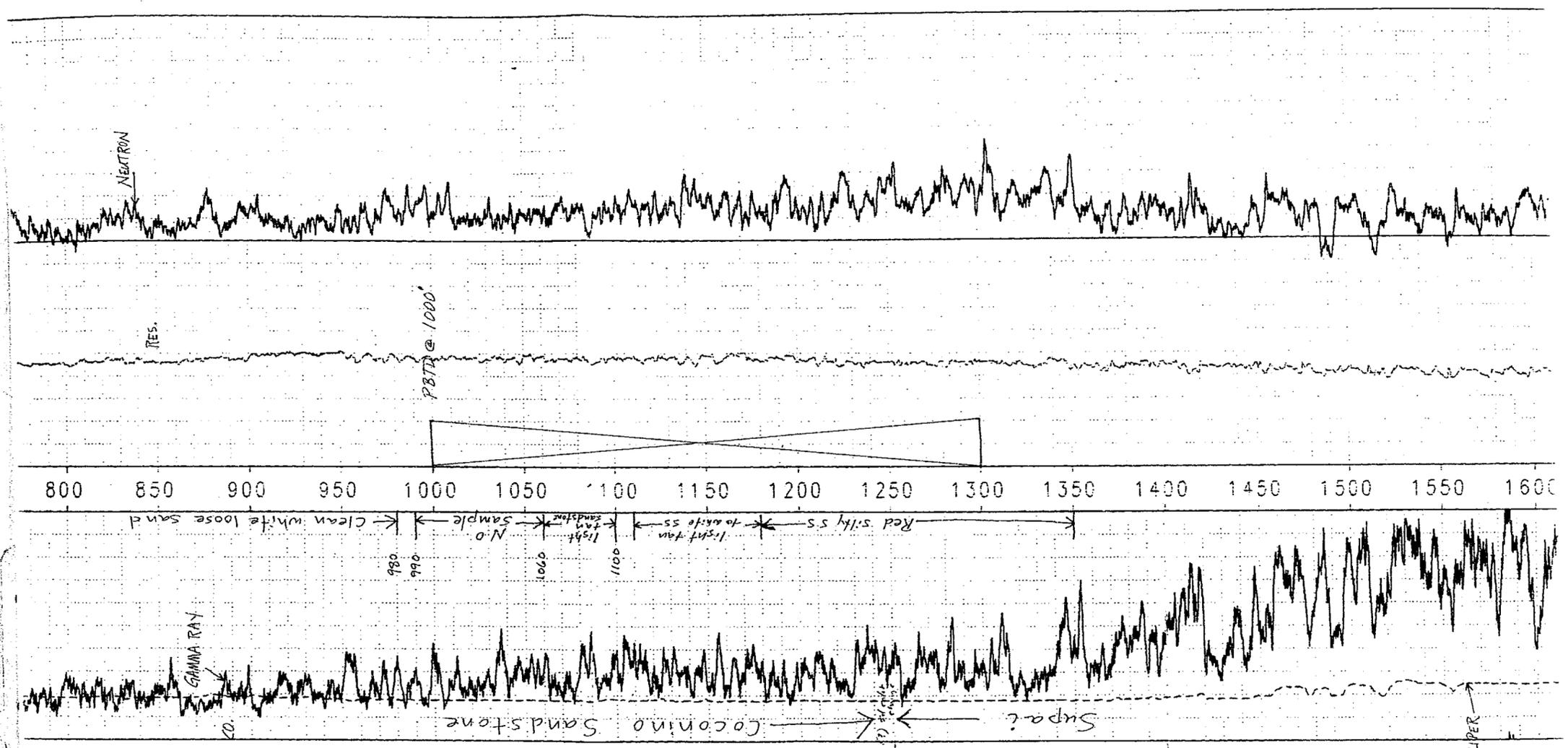
Date 5-26-95

Date Approved Verbal on 6-15-95
 STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION
 By: SL Rainey

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

Permit No. 886

filed 6-29-95



THE TOWNSEND CO.
 1-26 STATE
 (886)
 ELEK 5250'

PB77 @ 1000'

TO
 May
 Set 1
 Start
 May 19
 Rig down
 May 20, 1
 Drill 125' 12
 May 21, 199
 Drill 255' 12 1/
 May 22, 1995
 Drilled 245' of 12
 May 23, 1995



1150 Estates Drive, Suite A
Abilene, Texas 79602

TELEPHONE
(915) 672-6448

TO THE OWNERS OF THE STATE 26-1

May 18, 1995

Set 14' of 14" pipe & cemented with 10 sacks of cement.
Start drilling surface 12 1/4" hole today.

PIN 886

May 19, 1995

Rig down waiting on material.

May 20, 1995

Drill 125' 12 1/4" hole, TD 125'.

May 21, 1995

Drill 255' 12 1/4" hole, TD 380'.

May 22, 1995

Drilled 245' of 12 1/4" hole, TD 500'.

May 23, 1995

Ran 500' of 8 5/8" casing.

May 24, 1995

Cemented with 240 sacks of Portland cement.

May 25 - 29, 1995

Waiting on rig.



1150 Estates Drive, Suite A
Abilene, Texas 79602

TELEPHONE
(915) 672-6448

TO THE OWNERS OF THE STATE 26-1

May 18, 1995

Set 14' of 14" pipe & cemented with 10 sacks of cement.
Start drilling surface 12 1/4" hole today.

PIN 886

May 19, 1995

Rig down waiting on material.

May 20, 1995

Drill 125' 12 1/4" hole, TD 125'.

May 21, 1995

Drill 255' 12 1/4" hole, TD 380'.

May 22, 1995

Drilled 245' of 12 1/4" hole, TD 500'.

May 23, 1995

Ran 500' of 8 5/8" casing.

May 24, 1995

Cemented with 240 sacks of Portland cement.

May 25 - 29, 1995

Waiting on rig.

May 30, 1995

Moving in rig and rigging up.

P/W 886

May 31, 1995

Tested blow out proventer to 450 pounds and drilling out from under surface.

June 1, 1995

Made 200' TD 700', drilling with air.

June 2, 1995

Drilled 540', TD 1240', drilling with mud, 38 vis.

June 3, 1995

TD 1540' pipe stuck at 1460' coming out of hole for bit trip/spot 100 gallon diesel, set 8 hours/good return on pump/mud 40 vis., weight 8.9, 11.1 water loss, 1/32 filter cake.

June 4, 1995

Pipe free, good circulation, pipe sticks coming up/work pipe, make 20', spot low surf chemicals.

June 5, 1995

Work pipe, make 20', pipe still sticks.

June 6, 1995

Pipe free, came out of hole to change to 6 1/2" bit, drilling, lost cir @ 1635', lost 10 lbs regained cir, made 200', TD 1740'.

June 7, 1995

Small gas shows @ 1760'-1850', made 300' TD 2040'.

June 8, 1995

Made bit trip, changed to 6" bit, made 230' TD 2270'.

PIN 886

June 9, 1995

TD 2460', made 190', mud 39 vis, 9.1 wt, 1/32 filter cake, 7.1 water loss.

June 10, 1995

Down waiting for rig.

June 11, 1995

Repair parts for rig.

June 12, 1995

Repair parts for rig.

June 13, 1995

TD 2560', made 100' in 8 hours, mud 38 vis, 8.7 wt, 1/32 filter cake, 10.2 water loss.

June 14, 1995

TD 2740', made 180', mud 39 vis, 8.9 wt, 1/32 filter cake, 8.0 water loss.

June 15, 1995

TD 2880', made 140'.

June 16, 1995

Final TD 2960', ran electric logs, no shows, plugged and abandoned well with 50 sacks of cement. Plugged from 900' to 1200'.

FINAL REPORT - WELL PLUGGED



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

MEMORANDUM TO FILE

DATE: May 29, 1995

FROM: Steven L. Rauzi *SLR*
Oil and Gas Program Administrator

SUBJECT: CIRCULATION OF CEMENT ON SURFACE CASING & BOP TEST
The Townsend Co. 26-1 State, Permit #886
NE NW NE Sec. 26, T. 19 N., R. 13 E., Coconino County

I witnessed B.J. Drilling cement the 8 5/8" surface casing set to 500 feet on May 24. A permeable zone flowing water at 430 feet in the Coconino Sandstone prevented circulation.

A 1.5 hole volume of mud with cedar fiber was pumped into the hole followed by 100 sacks of cement (calculated to fill 300 feet of annular space) displaced with fresh water. No returns. Next, 80 sacks of cement with wood shavings (calculated to fill 270 feet of annular space) were flowed on a top job. Cement at the surface at the end of the job indicated that the wood shavings and about 70 annular feet of cement had successfully sealed the porous zone preventing circulation.

The bag preventer was tested to 450 psi for thirty minutes and held pressure.



PERMIT TO DRILL

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

To: THE TOWNSEND CO.
(OPERATOR)

to drill a well to be known as

26-1 STATE
(WELL NAME)

located 3500' FWL & 467' FNL

Section 26 Township 19N Range 13E, COCONINO County, Arizona.

The N 1/2 OF 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 6 day of april, 1995.

OIL AND GAS CONSERVATION COMMISSION

By: Steven L. Pariz
EXECUTIVE DIRECTOR
OIL & GAS PROGRAM ADMINISTRATOR

PERMIT 00886

RECEIPT NO. 5077

A.P.I. NO. 02-005-20033

State of Arizona
Oil & Gas Conservation Commission
Permit to Drill

FORM NO. 27

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

THE TOWNSEND Co.

Address

City

State

4400 BUFFALO GAP RD. SO. 4503 - ABILENE TEXAS 79606

Drilling Contractor

TO BE DETERMINED

Address

DESCRIPTION OF WELL AND LEASE

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

STATE

Well number

26-1

Elevation (ground)

5250'

Nearest distance from proposed location to property or lease line:

467 feet

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

NONE feet

Number of acres in lease:

640

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

NONE

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

N/A

Well location (give footage from section lines)

3500' FWL & 467' FNL

Section—township—range or block and survey

26 19N - 13E

Dedication (Comply with Rule 105)

N 1/2 of NE 1/4

Field and reservoir (if wildcat, so state)

WILDCAT

County

COCONINO

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

18 WEST WINSLOW

Proposed depth:

2700'

Rotary or cable tools

ROTARY

Approx. date work will start

2-25-95

Bond Status

SAFEGUARDING

Organization Report

Filing Fee of \$25.00

Amount

\$10,000 C.D.

On file

Or attached

Attached

Remarks:

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

THE TOWNSEND Co. (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

C. Townsend

Date

1-30-95

API # *02-005-20033*

Permit Number:

886

Approval Date:

4-6-95

Approved By:

Steven L. Ramirez

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

Form No. 3

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

- Operator shall outline the dedicated acreage for *both* oil and gas wells on the plat.
- 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 N/A
- If the answer to question four is "no," list all the owners and their respective interests below:

Owner	Land Description
	<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>Name _____</p> <p>Position _____</p> <p>Company _____</p> <p>Date _____</p> <p>I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed <u>March 9, 1995</u></p> <p>Registered Professional Engineer and/or Land Surveyor <u>Robert Beamish</u></p> <p>Certificate No. <u>14165</u></p>

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
<u>8 5/8</u>	<u>24#/ft</u>		<u>TOP</u>	<u>600'</u> <u>500'</u>	<u>600' To Top</u>	<u>450</u>	<u>"A"</u>

THE TOWNSEND CO.

DRILLING PROGNOSIS STATE 26-1

ESTIMATE - APRIL 15, 1995

LEVEL LOCATION & DIG PITS

RIG-UP. FALING MODEL 2500 DRILLING RIG COMPLETE

WITH PUMPS & COMPRESSORS TO DRILL WITH
MUD OR AIR.

DRILL 15' - 14³/₄' HOLE & SET 15' - 13³/₈" CONDUCTOR
PIPE.

DRILL 500' - 12¹/₄" HOLE, SET 500' - 8⁵/₈ x 23 #/FT.

SURFACE PIPE - CEMENT PIPE WITH 225 SKS.

PREMIUM CEMENT - MIX 15 LB/GAL (5.2 GAL
FRESH WATER / SACK) - YIELD 1.18 CU. FT. / SK.

WAIT ON CEMENT TO CURE 12 HOURS -

RIG-UP 8⁵/₈ BRADEN HEAD - 9" ANULAR TYPE

BLOW-OUT PREVENTOR (PROBABLY HY-DRIL)

TEST B.O.P. TO 750 PSIG. - RIG UP MUD LOGGER

DRILL - 500' TO 2800' - 7⁷/₈" HOLE WITH KCL

AND GEL AS REQUIRED AND/OR AIR DRILL

AND MIST AS REQUIRED

NOTE: IF SHOWS OF SUFFICIENT QUALITY

ARE OBSERVED FOR 6' - RUN DRILL -

STEM-TEST (IF SUFFICIENT QUANTITIES

OF OIL AND/OR GAS ARE RECOVERED AND

BOTTOM HOLE PRESSURES ARE SUFFICIENT -

DRILL 50 MORE FT.) RUN ELECTRIC LOGS

BY SCHLUMBERGER OR HALLIBURTON -

EVALUATE LOGS TO D.ST. AND RUN 4¹/₂"

x 10.5 #/FT CASING TO T.D. AND CEMENT

WITH SUFFICIENT SLURRY TO COVER 800'

ANULAR SPACE.

IF IT IS DETERMINED NOT TO RUN PIPE - PLUG AND

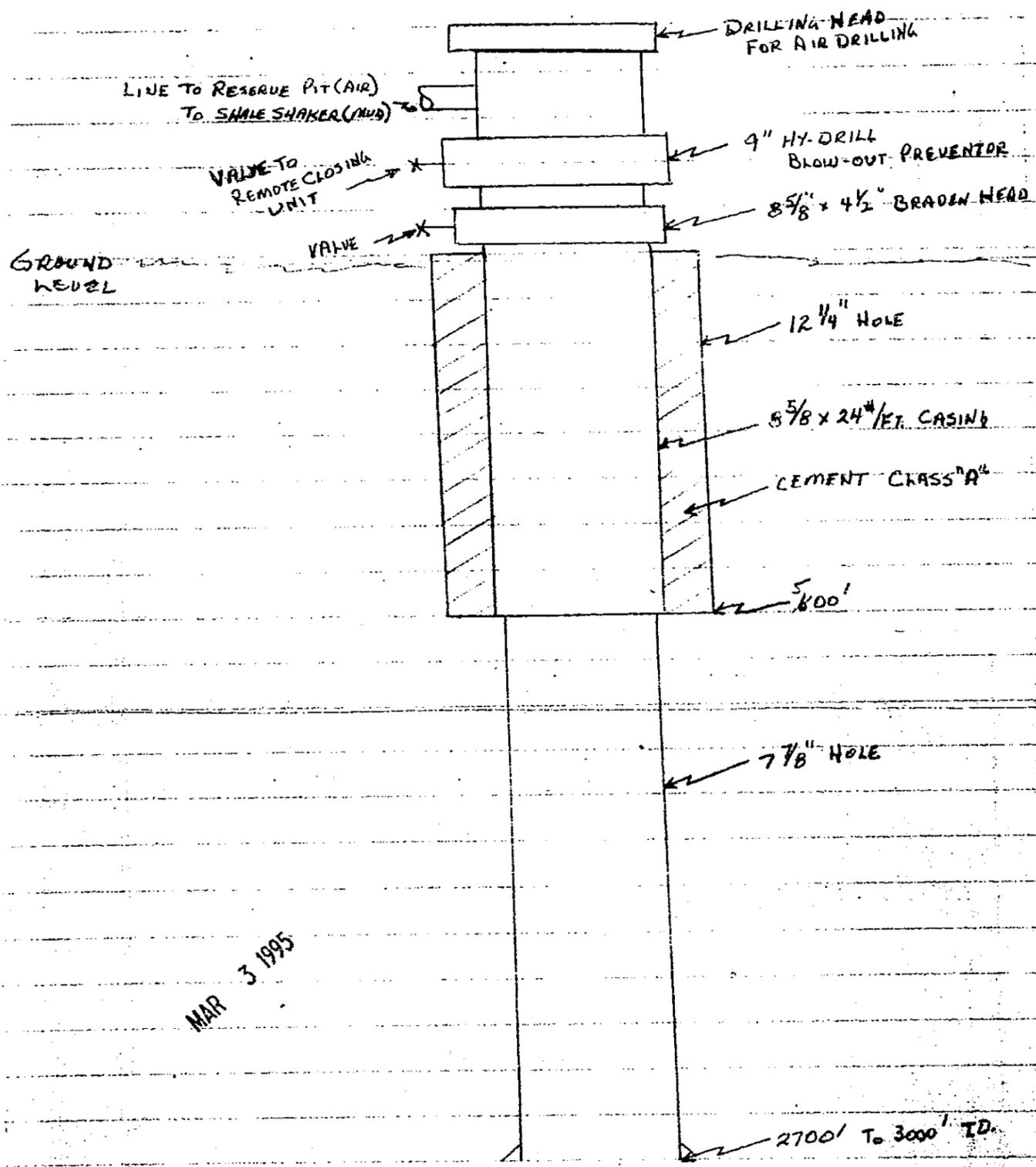
ABANDON AS PER RECOMMENDATIONS OF

ARIZONA STATE GEOLOGIST.

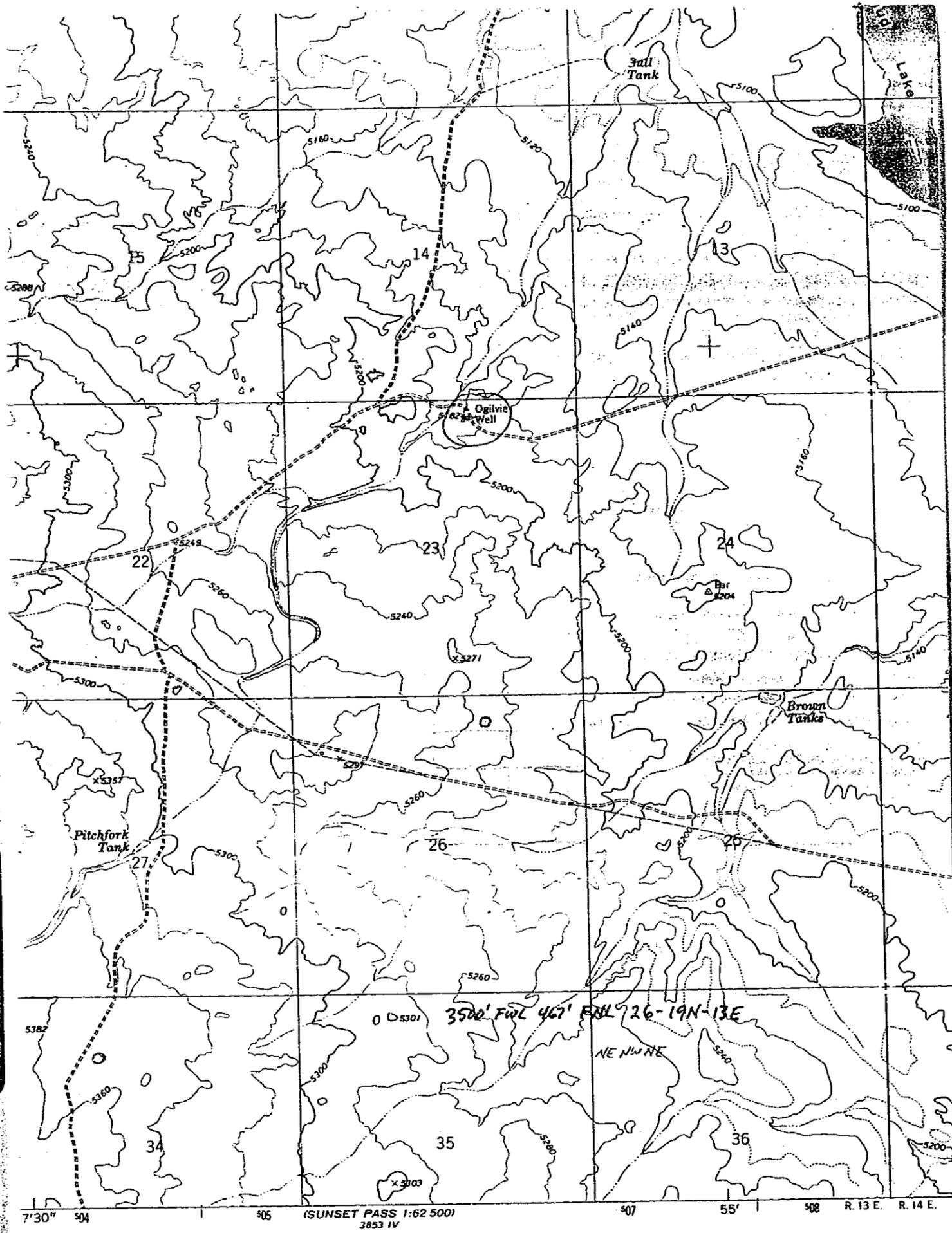
CLEAN AND LEVEL LOCATION

NOTE: OBTAIN DRILLING SAMPLES 0 TO TD. 10' SAMPLES
2 - SETS WASHED & DRIED SAMPLES
(SEND (1) SET TO STATE)

STATE 26-1 PROPOSED WELL



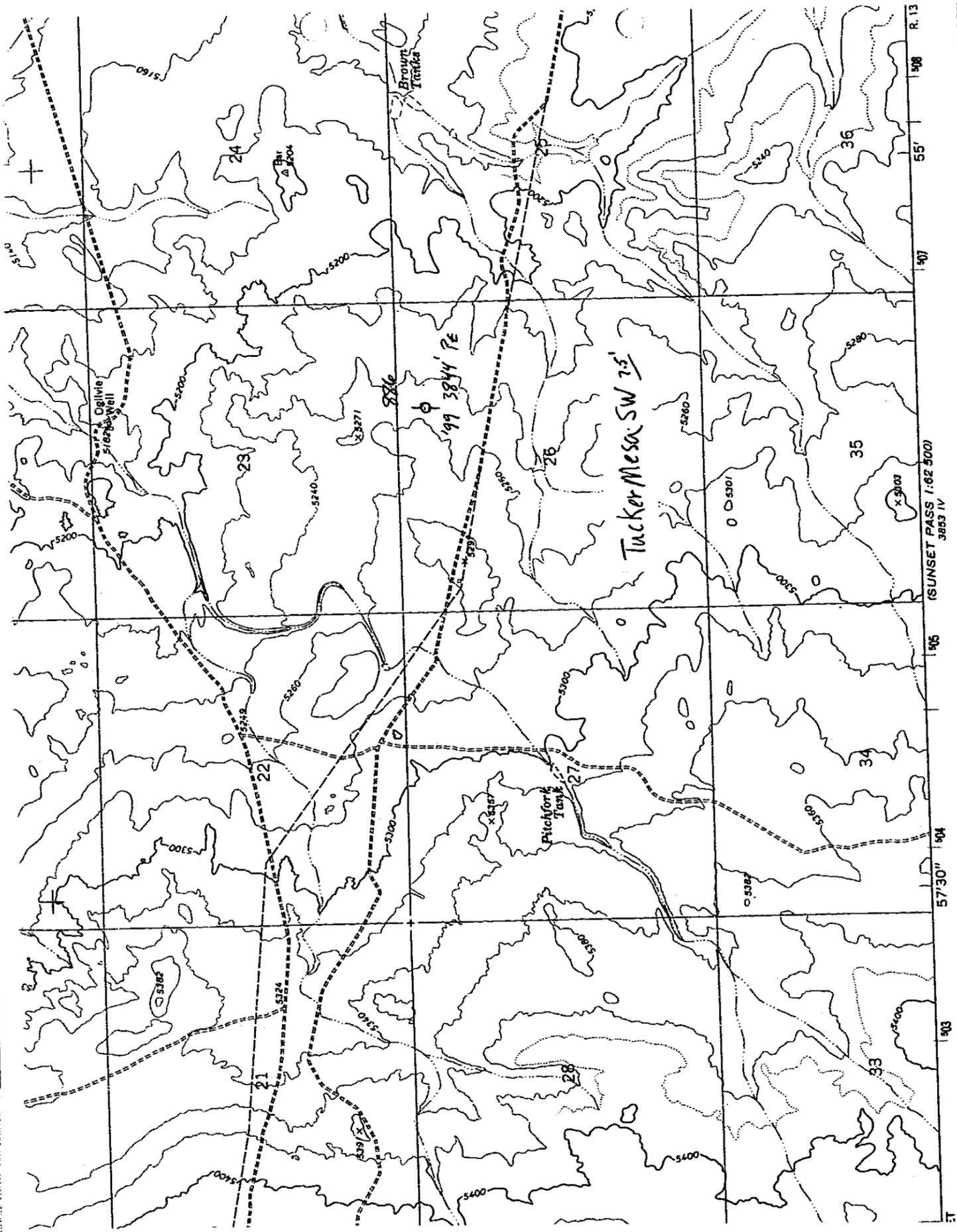
MAR 3 1995

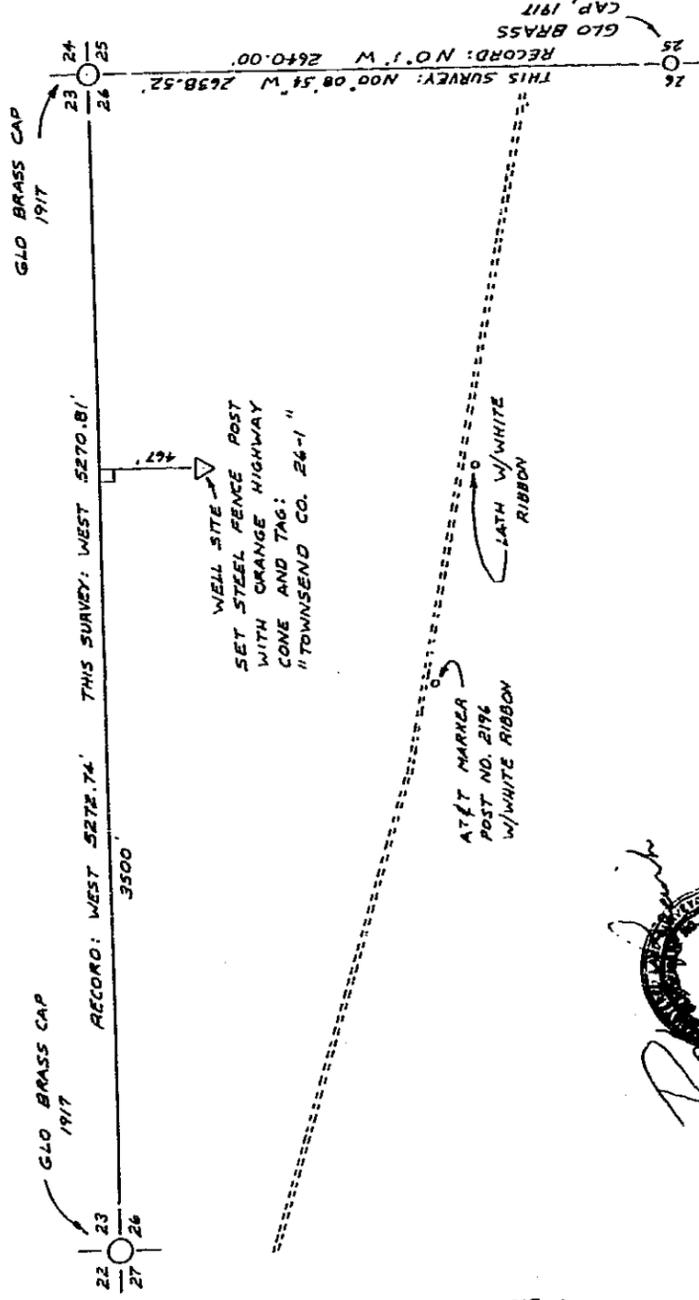


(SUNSET PASS 1:62 500)
3853 IV

SCALE 1:24,000

R. 13 E. R. 14 E.





WELL SITE
 FOR
THE TOWNSEND COMPANY
 SECTION 26, TOWNSHIP 19 NORTH,
 RANGE 13 EAST, GILA AND SALT
 RIVER MERIDIAN, COCONINO CTY,
 ARIZONA

SURVEY WORK BY:
 ROBERT BEAMISH
 AZ LS 14165
 216 WEST FIRST ST.
 WINSLOW, AZ 86047
 602-289-3450
 MARCH 9, 1995



1" = 500'
 NORTH

STEVE -

PLEASE, ADD THIS
WELL LOCATION SURVEY TO
OUR APPLICATION TO DRILL.

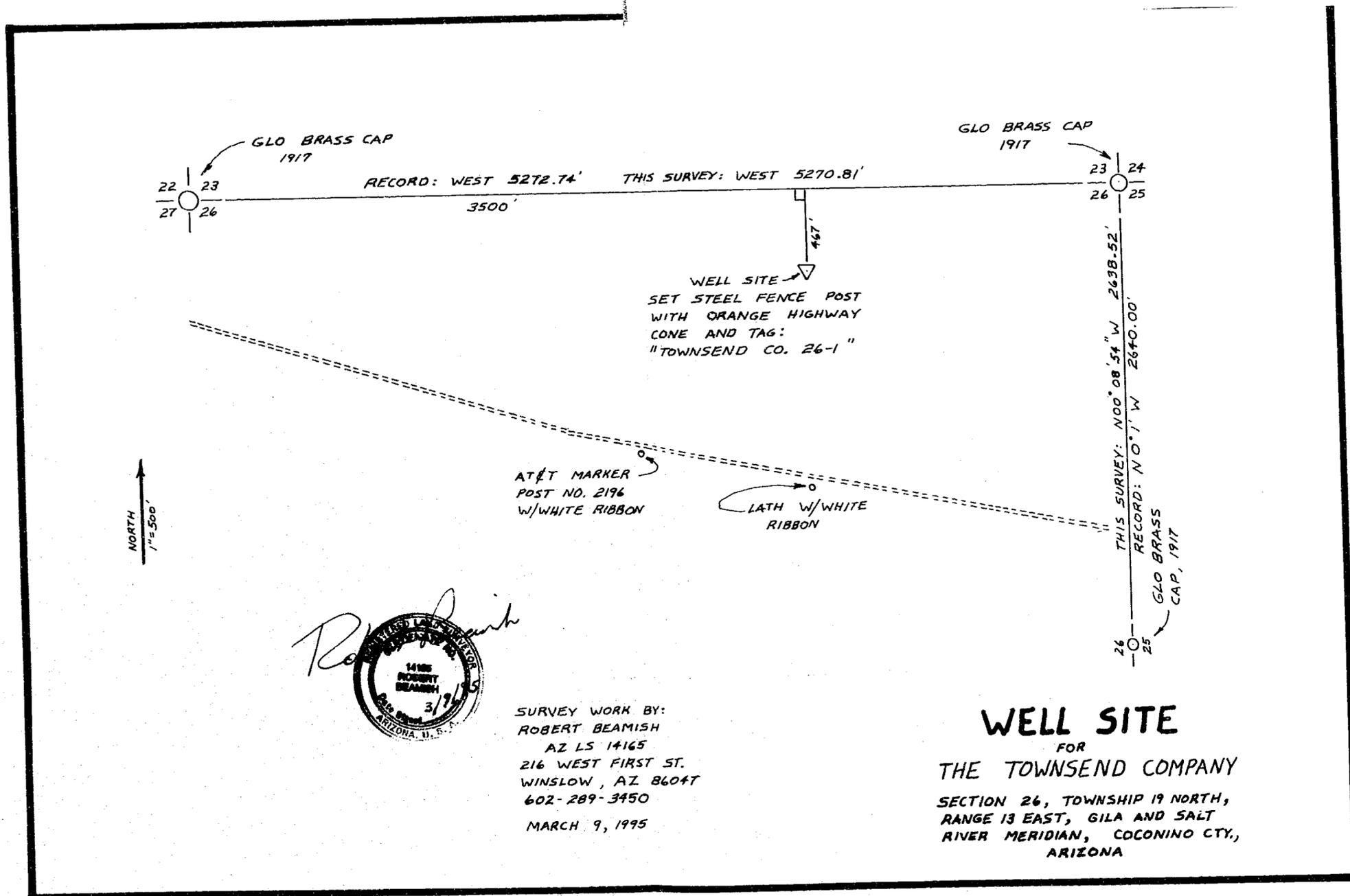
DRILLING SHOULD BE
APR 1 TO 10 - WAITING ON
DEFINITE SPUD DATE.

SWCA INC. - FLAGSTAFF
ARE OUR ARCHAEOLOGIST -
WILL SURVEY THIS WEEK!

REGARDS

IRV TOWNSEND





NORTH
1" = 500'

Robert Beamish
 14165
 ROBERT BEAMISH
 3/9/95
 ARIZONA, U.S.A.

SURVEY WORK BY:
 ROBERT BEAMISH
 AZ LS 14165
 216 WEST FIRST ST.
 WINSLOW, AZ 86047
 602-289-3450
 MARCH 9, 1995

WELL SITE
 FOR
THE TOWNSEND COMPANY
 SECTION 26, TOWNSHIP 19 NORTH,
 RANGE 13 EAST, GILA AND SALT
 RIVER MERIDIAN, COCONINO CTY.,
 ARIZONA

PAY TO THE ORDER OF
 TWENTY
 STATE
 OIL & GAS

THE TOWNSEND CO.

006127

FILING FEE STATE 26-1 (ARIZONA)

1000 - 530

THE TOWNSEND CO.
INDEPENDENT OIL OPERATOR
4400 BUFFALO GAP RD. STE. 4503
ABILENE, TEXAS 79602

SECURITY STATE BANK
ABILENE, TEXAS

88-731
1113

006127

CHECK NO.

DATE

2-27-95

AMOUNT

\$ 25.00

PAY TO THE ORDER OF

TWENTY-FIVE AND NO/100

STATE OF ARIZONA
OIL & GAS CONSERVATION COM. *Coma.*

AT Townsend

ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual
A.I. TOWNSEND DBA THE TOWNSEND Co.
 Post Office Address (Box or Street Address)
4400 BUFFALO GAP RD. SUITE 4503 - ABILENE, TEXAS 79606
 Plan of Organization (State whether organization is a corporation, joint stock association, firm or partnership, or individual)
INDIVIDUAL
 Purpose of Organization (State type of business in which engaged)
OIL & GAS DRILLING AND PRODUCTION
 If a reorganization, give name and address of previous organization.

If a foreign corporation, give (1) State where incorporated <u>TEXAS</u>	(2) Name and post office address of state agent	(3) Date of permit to do business in state <u>TEXAS 1975</u>
Principal Officers or Partners (if partnership) NAME <u>A.I. TOWNSEND</u>	TITLE <u>OWNER</u>	POST OFFICE ADDRESS <u>2925 WOODLAKE</u>
		<u>ABILENE, TEXAS 79606</u>

DIRECTORS NAME	POST OFFICE ADDRESS

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the OWNER of the THE TOWNSEND Co. (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.

A.I. Townsend
 Signature

1-30-95
 Date

MAR 3 1995

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

Organization Report
 File One Copy

Form No. 1

**A CULTURAL RESOURCES SURVEY FOR A
PROPOSED OIL WELL NEAR METEOR CRATER,
COCONINO COUNTY, ARIZONA**

Permit 886

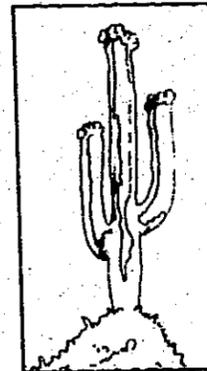
Prepared for

THE TOWNSEND COMPANY



Prepared by

**SWCA, INC.
Environmental Consultants**



March 21, 1995

A Cultural Resources Survey
for a Proposed Oil Well
near Meteor Crater, Coconino County, Arizona

Prepared for

Irvin Townsend
THE TOWNSEND COMPANY
2925 Woodlake
Abilene, Texas 79606
(915) 698-3134

Prepared by

Lynn A. Neal
Jean H. Ballagh

SWCA, INC., ENVIRONMENTAL CONSULTANTS
114 North San Francisco Street, Suite 114
Flagstaff, Arizona 86001
(520) 774-5500

Arizona State Land Department Lease Application No. 13-54242

SWCA Archaeological Report No. 95-65

March 21, 1995

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SHPO ABSTRACT

AGENCY: Arizona State Land Department (ASLD)

PROJECT TITLE: A Cultural Resources Survey for a Proposed Oil Well near Meteor Crater, Coconino County, Arizona

PROJECT NUMBER: SWCA Project No. 23-51040

PROJECT DESCRIPTION: The Townsend Company of Abilene, Texas, proposes to drill an oil well (State 26-1) on land leased from the State of Arizona approximately 5 miles east of Meteor Crater Landmark. The area surveyed includes the proposed access road across land owned by the Bar-T-Bar Ranch, a corridor 100 feet (30 m) wide by 1100 feet (335 m) long totaling 2.52 acres (1.02 ha), and a block around the proposed well location measuring 100 × 100 m (328 × 328 feet) or 2.47 acres (1 ha).

PROJECT LOCATION: The project area is located between Flagstaff and Winslow, Arizona, approximately 5 miles (8 km) east of Meteor Crater National Monument, 5 miles (8 km) south of Interstate 40 and 9.5 miles (15.3 km) north of State Route 87, and 3.3 miles (5.31 km) east of Meteor Crater Ranch, headquarters for the Bar-T-Bar Ranch. The area can be located on the 1983 photorevised Tucker Mesa SW, Arizona, USGS 7.5 minute topographic map in T19N, R13E, Sec. 26, W1NE1/4. Both the route of the proposed access road, across private land, and the location of the proposed well, on state land, were surveyed.

NUMBER OF ACRES SURVEYED: 4.99 (2.02 ha)

NUMBER OF SITES: 0

LIST OF ELIGIBLE SITES: Not applicable

LIST OF INELIGIBLE SITES: Not applicable

COMMENTS: A determination of no effect is recommended for this project, and clearance is recommended for construction of the access road and drilling of the proposed well.

INTRODUCTION

On March 16, 1995, Lynn A. Neal of SWCA, Inc., Environmental Consultants conducted an archaeological survey of 4.99 acres (2.02 ha) located approximately 5 miles (8 km) east of Meteor Crater National Landmark, 5 miles (8 km) south of U.S. Interstate 40, and 9.5 miles (15.3 km) north of State Route 87 in Coconino County, Arizona (Figure 1). The survey was requested by The Townsend Company of Abilene, Texas (ASLD Lease/Application No. 13-54242) for the site of a proposed oil well (State 26-1) and access road. The ASLD is the reviewing agency, since half of the proposed project area is on Arizona State Trust Lands. Only two Isolated Occurrences (IOs) were identified during the survey.

DESCRIPTION OF UNDERTAKING

The Townsend Company proposes to drill an oil well on land east of Meteor Crater Landmark leased from the State of Arizona. Access to the proposed well site is from an AT&T cinder-covered access road across land owned by the Bar-T-Bar Ranch, which has granted The Townsend Company permission to construct the access road to the well site. The surveyed corridor for the proposed access road measures 100 feet (30 m) wide by 1100 feet (335 m) long, an area of 2.52 acres (1.02 ha). A block measuring 100 x 100 m (328 x 328 feet), or 2.47 acres (1 ha) was surveyed around a stake marking the proposed well site on state land, for a total survey area of 4.99 acres (2.02 ha).

LOCATION OF PROJECT AREA

The project area is located between Flagstaff and Winslow, Arizona, approximately 5 miles (8 km) east of Meteor Crater Landmark, 5 miles (8 km) south of Interstate 40 and 9.5 miles (15.3 km) north of State Route 87, and 3.3 miles (5.31 km) east of Meteor Crater Ranch, headquarters for the Bar-T-Bar Ranch. The area can be located on the 1983 photorevised Tucker Mesa SW, Arizona, USGS 7.5 minute topographic map in Township 19 North, Range 13 East, Section 26, W1NE1 (Figure 2). Both the portion located on Arizona State Trust Lands and the portion owned by the Bar-T-Bar Ranch were archaeologically surveyed. This area had also been cartographically surveyed for The Townsend Company by Robert Beamish Civil Engineering of Winslow, Arizona. The UTM coordinates for the surveyed area are:

Zone 12	Northing 3875490	Easting 506280 (Point a: northwest corner of well-site block)
	Northing 3875490	Easting 506380 (Point b: northeast corner of well-site block)
	Northing 3875390	Easting 506280 (Point c: southwest corner of well-site block)
	Northing 3875390	Easting 506380 (Point d: southeast corner of well-site block)
	Northing 3875390	Easting 506330 (Point e: northern end of access road corridor)
	Northing 3875110	Easting 506260 (Point f: southern end of access road corridor)

ENVIRONMENTAL AND CULTURAL SETTING

The project area is situated within the Colorado Plateau physiographic province. Specifically, it lies north of Jacks Canyon, east of Diablo Canyon, west of Clear Creek Reservoir, and south of the Painted Desert in the Winslow Basin (Figure 1). The project area slopes to the east at approximately 2-3° and is at an average elevation of 5255 feet (1602 m).

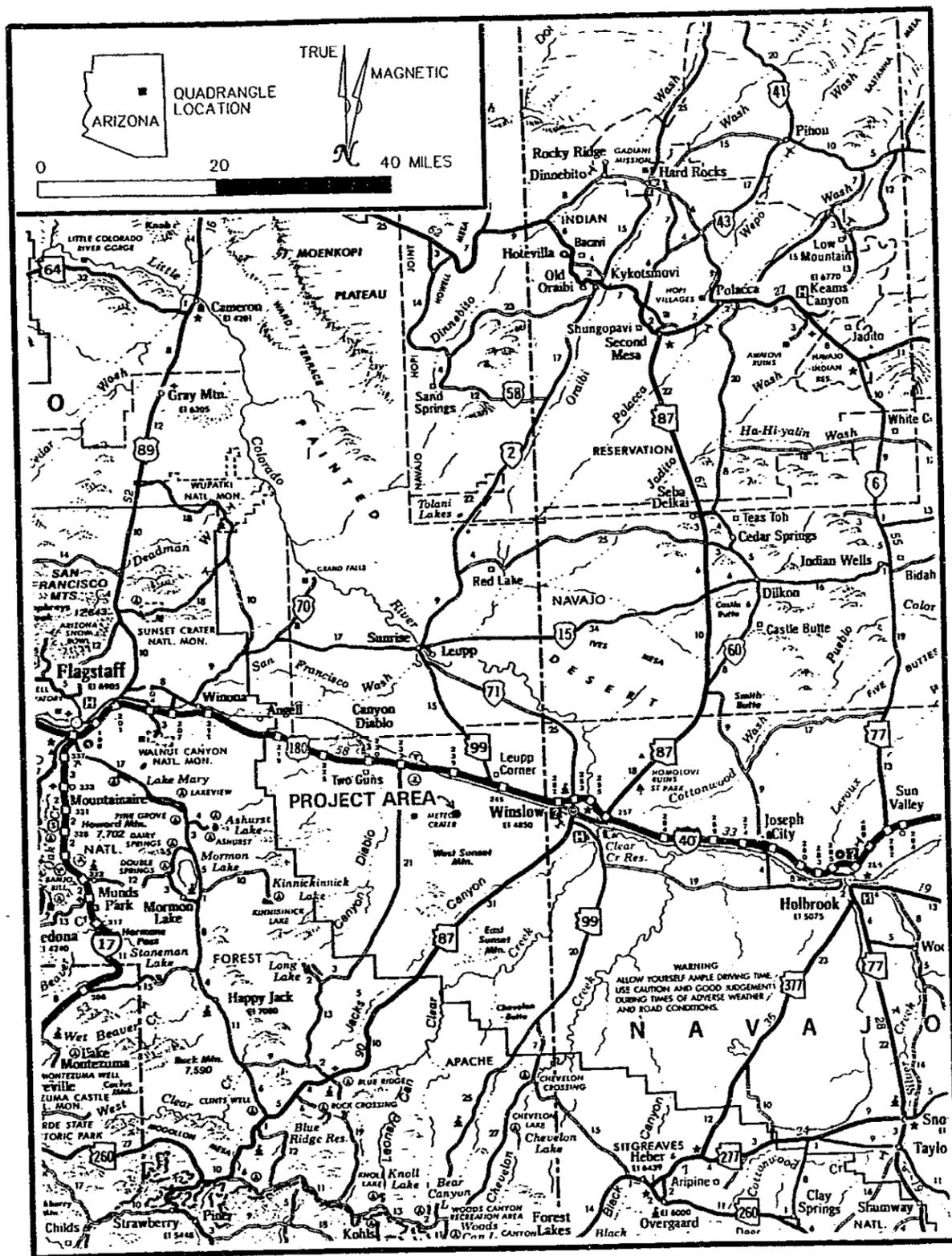


Figure 1. General location of project area.

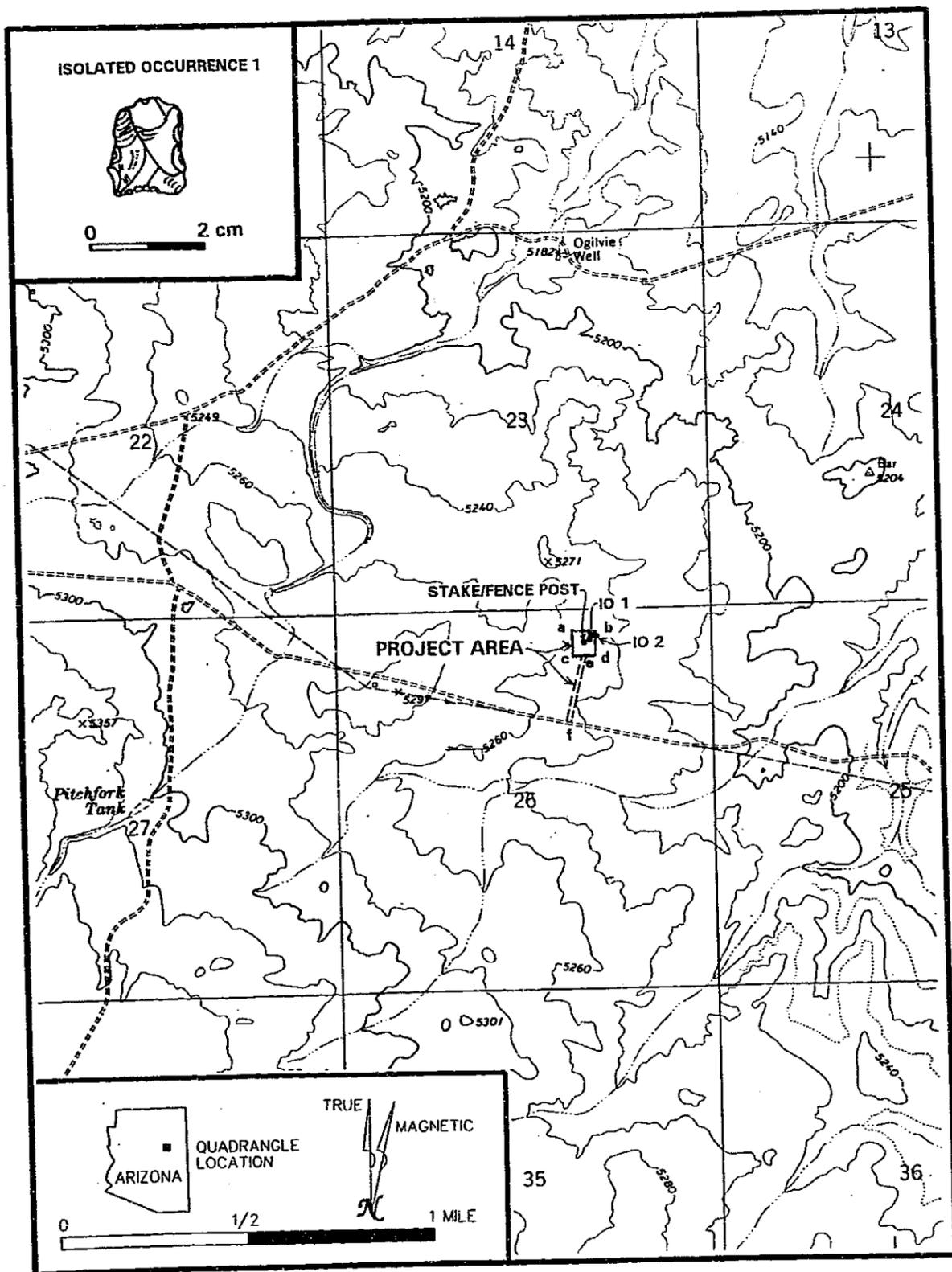


Figure 2. Location of survey area and Isolated Occurrences; inset: IO 1. Base map is Tucker Mesa SW, Arizona, USGS 7.5' quadrangle, 1968 (photorevised 1983).

The project area lies within a desert scrub vegetation zone. Dominant plants include bunch grasses, snakeweed, sagebrush, Mormon tea, four-wing saltbush, prickly pear, and pencil cholla. The ground visibility is approximately 65%.

The soil is a fine, sandy loam derived from Moenkopi Sandstone formations. Small slabs of sandstone are scattered across the ground surface.

Cattle, probably from the Bar-T-Bar Ranch, graze in the project area. The access road from the ranch roughly parallels an AT&T fiber-optic cable to the north; this road consists of compacted cinders.

EXISTING DATA REVIEW

Susan Bierer and Laural Myers of SWCA conducted site file searches at the Arizona State Museum (ASM) on March 7 and March 15, 1995, and David Purcell of SWCA searched the site files at the Museum of Northern Arizona on March 20, 1995. The ASM site files contained records of previous cultural resource investigations conducted near the southern boundary of the project area, within the one-half mile buffer zone. In 1989 Soil Systems, Inc., (Landis 1989a) conducted a Class III cultural resources survey of 782 acres for AT&T for the nearby fiber-optic cable line and subsequent archaeological testing (Landis 1989b). Landis recorded 86 sites and 115 IOs, none of them in the project area.

SURVEY METHODS

The archaeological fieldwork was completed on March 16, 1995, by Lynn Neal of SWCA under ASM Blanket Permit No. 95-20. Neal walked survey transects 15 m on either side of the center line of the proposed access road, from the southern end at the AT&T access road, marked by a lathe with white flagging, to the 100 x 100-m block surrounding the proposed well site. The 100 x 100-m block was also surveyed in 15-m transects.

RESULTS

The only cultural remains identified during the survey were two flaked stone Isolated Occurrences. IO 1 was a crudely made biface of black obsidian with small red inclusions (Figure 2). This IO was located 10 m at 76° from the stake marking the proposed well site. It may be a projectile point with a reworked tip. IO 2 was a thinning flake, also of black obsidian, on the eastern boundary of the 100 x 100-m block.

RECOMMENDATIONS

Only two Isolated Occurrences were located during the survey, and the data potential of these artifacts has been exhausted by recording. We therefore recommend archaeological clearance, and the proposed drilling of the oil well and construction of the access road should proceed as planned. This undertaking will have no adverse affect on archaeological resources within the proposed area of effect. It is recommended that the proposed construction stop and a qualified archaeologist be contacted in the event that archaeological remains are discovered during construction.

REFERENCES

Landis, Daniel

1989a *A Class III Resources Survey of the Proposed AT&T Fiber Optic Line from Flagstaff, Arizona, to the New Mexico State Line.* Soil Systems Technical Report No. 89-5. Tempe.

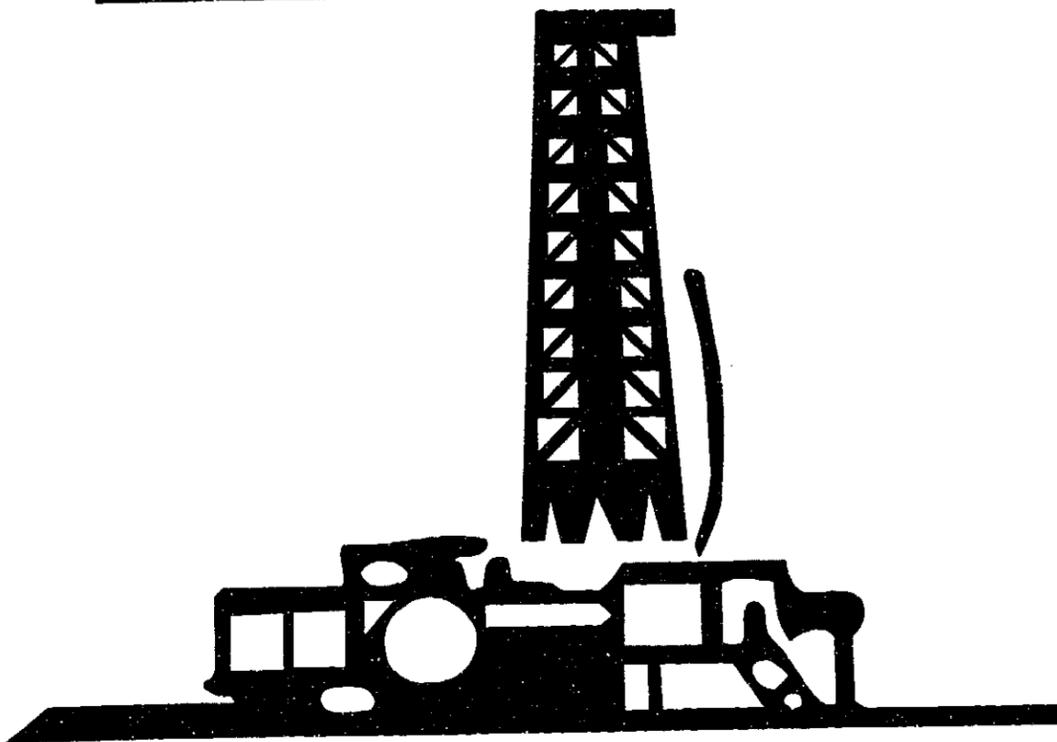
1989b *Archaeological Testing along the AT&T Fiber Optic Route from Flagstaff, Arizona, to the New Mexico State Line.* Soil Systems, Technical Report No. 89-24. Tempe

2351040.rpt
March 21, 1995

GUS BERRY
26-1 STATE 13-104416
COCONINO COUNTY, ARIZONA
GEOLOGIC, DRILLING AND
ENGINEERING REPORT
OCTOBER 1999



STIVERS CONSULTING inc.



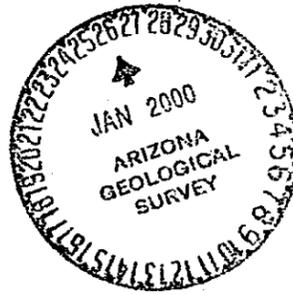
STIVERS CONSULTING inc.

GEOLOGICAL
CONSULTING

HYDROCARBON
MUD-LOGGING

P.O. DRAWER 1387
GRAHAM, TEXAS 76450
817/549-6275 549-8202 FAX

GUS BERRY
26-1 STATE 13-104416
COCONINO COUNTY, ARIZONA
GEOLOGIC, DRILLING AND
ENGINEERING REPORT
OCTOBER 1999



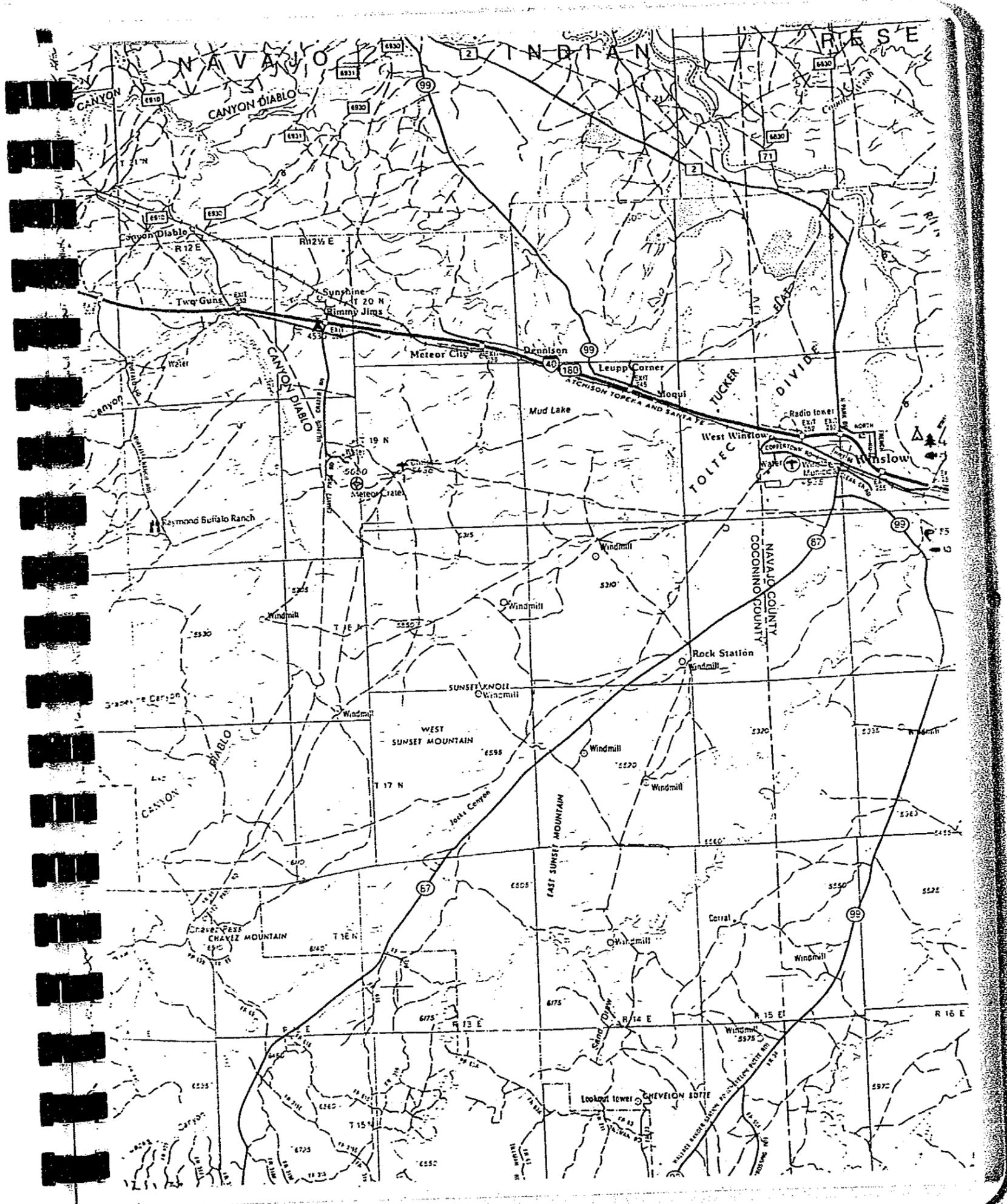


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STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION APPLICATION TO DRILL OR RE-ENTER	
THE TOWNSEND COMPANY MORNING AND PLUGGING REPORTS	
SAMPLE LOG	Rear Packet

WELL SUMMARY

OPERATOR: Gus Berry
P.O. Box 730
Okmulgee, OK 74447
918.756.4416 office

Company Representative: Earl Berry
918.629.3523 mobil

LEASE & WELL NO.: # 26-1 State 13-104416

LOCATION: 3500' FWL, 467' FNL of Section 26, Township 19-N, Range 13-E, N/1/2 of NE/1/4, 18 miles west of Winslow, Coconino County, Arizona.

DIRECTIONS TO LOCATION: West of Winslow, Arizona on I-40, 20 miles to exit 233 (Meter Crater Road). Turn left, go south 4 miles to (-T-) Ranch sign. Turn left and go east 3 miles to cattle guard at Ranch House. Cross cattle guard and take the left "Y", continue east 4 miles to Key Energy Rig # 26.

API NO: 02-005-20033

DRILLING PERMIT NO.: 886

ELEVATIONS: Ground level: 5250'
Derrick floor: 5257'
Kelley bushing: 5258'

RE-ENTRY DATE: September 30, 1999

TOTAL DEPTH DATE: October 17, 1999 at 10:00 AM

TOTAL DEPTH DRILLER: 3844'

TOTAL DEPTH LOGGER: 3842'

DRILL STEM TESTS: NONE

CORES: NONE

STIVERS CONSULTING inc.

DRILLING CONTRACTOR:

Key Energy Services
P.O. Box 900
Farmington, NM 87499
505.337.4961 office
505.337.4962 fax
Rig # 26
Tool Pusher: Bob Gosmell
970.560.3274 mobil

Keith Rhodes
505.320.6922 mobil

Type rig: Corsair W-32840 Workover
Main mud pump: National JWS-400 Triplex
Standby mud pump: Gardner-Denver
Drill pipe: 3 1/2" IF
Drill collars: 8 - 4 3/4" IF

HOLE SIZE:

6 1/4" from under surface to TD.

MUD PROGRAM:

Basin Fluids
P.O. Box 3037
Durango, CO 81302
970.259.2748 office
970.259.6488 fax

Engineer: Carroll Hart
970.946.4131 mobil

Mud type: Fresh water gel and chemicals
Began mudding up at 1332'

SAMPLE INTERVAL:

10' samples from 2889' to TD.

LOGGING PROGRAM:

A: ELECTRICAL LOGS
Halliburton Energy Services
Farmington, NM
505.324.3500 office

Engineer: Sarah Kubilius

- (1) Dual Induction Short Guard Log
- (2) Spectral Density Dual Spaced Neutron
- (3) Microlog

STIVERS CONSULTING inc.

B: GEOLOGICAL CONSULTING

Stivers Consulting, Inc.
P.O. Drawer 1387
Graham, TX 76450
940.549.6275 office
940.549.8202 fax
Web page: www.stiversconsulting.com

Geologist: D.K. Stivers
AAPG Certificate No. 3340
940.521.2969 mobil

NOTICE:

Original well drilled by The Townsend Company, 1150 Estates Drive, Suite A, Abilene, TX 79602, 915.672.6448. Well was permitted as # 26-1 State lease 13-24542, Coconino County, Arizona. Said well was spudded on May 18, 1995 and reached a total depth of 2960' on June 16, 1995. Well was plugged with 50 sacks of Portland Cement from 1200' back to 900'. Plugging permit # 00886 dated June 24, 1995 by State of Arizona Oil & Gas Conservation Commission.

PRODUCTION:

Fort Apache (Permian)
Amos Wash (Permian)
Martin (Devonian)

STIVERS CONSULTING inc.

CASING RECORD

SURFACE:

Ran 500' of new 8 5/8", 24#, J-55, STC surface casing, set at 500' KB. Cemented with 240 sacks Portland Cement. No information on whether cement circulated. Plug down May 24, 1995.

PRODUCTION:

Ran 87 joints of new 4 1/2" OD, 8 rd, 10.5#, J-55, STC, Range 3, PRIME casing, set at 3841.5' KB. Cemented with 15 bbl fresh water preflush, followed with 175 sacks Class "C", plus 2% C-lite, plus 4 lbs./sack Gilsonite, plus 1/4 lb/sack Celloflake tailed with 175 sacks Neat Cement. Displaced with 61 bbl 2% KCL. Good circulation observed throughout cementing process. Plug down at 10:25 AM, October 19, 1999. Plug held OK. Services performed by American Energy Services, Farmington, NM.

4 1/2" OD, 8 rd, 10.5#, J-55, STC Range 3, Prime Casing Make-Up

Datum			8.00'
1 - Saw-tooth guide shoe	0.5'		
1 - Auto-fill insert float collar	0.0'		
87 joints of new 4 1/2" OD, 8 rd, 10.5#, J-55, STC, R-3, PRIME	3833.00'	@	3841.5'

DELIVERED TO LOCATION

90 joints of new 4 1/2" OD, 8 rd, 10.5#, J-55, STC, R-3, PRIME			3993.56'
---	--	--	----------

LEFT ON LOCATION

3.5 joints of new 4 1/2" OD, 8 rd, 10.5#, J-55, STC, R-3, PRIME			160.56'
--	--	--	---------

SUMMARY OF FORMATION TOPS

<u>SYSTEM</u>	<u>FORMATION</u>	<u>E-LOG</u>	<u>SAMPLE LOG</u>	<u>E-LOG SUB-SEA</u>
Permian	T/Coconino	160'	NA	+5098
Permian	T/Supai	658'	NA	+4600
Permian	T/Fort Apache	1634'	NA	+3624
Permian	T/Amos Wash	1751'	NA	+3507
Pennsylvanian	T/Penn	2316'	NA	+2942
Pennsylvanian	T/Naco	2728'	NA	+2538
Mississippian	T/Redwall	3250'	3250'	+2008
Devonian	T/Martin	3410'	3410'	+1848
Pre-Cambrian	T/Granite	3780'	3785'	+1478

KB=5258'

CHRONOLOGICAL PENETRATION RECORD

<u>DATE</u>	<u>DEPTH</u>	<u>24 HOUR FOOTAGE</u>	<u>RIG ACTIVITY</u>
9/30/99	1000	1000	Move in and rig up Key Energy Services Rig # 26, rig up power swivel, steel mud pits and mud pumps. Nipple up BOP, tally collars and drill pipe, and trip in hole with same. Tag cement at 1000'. Pick up power swivel and break circulation, start drilling cement.
10/1/99	1200	200	Drill on cement plug, drill to 1332' and stick drill pipe. Continue to circulate, switch pumps and began mixing mud. Work pipe, mix mud, work pipe.
10/2/99	1332	132	Pull out stripper-rubber, re-level rig, replace Washington rubber and continue to work pipe. Work pipe, mix mud, spot 250 gallons diesel, over displace, work pipe, shut well in.
10/3/99	1332	0	Shut well in
10/4/99	1500	168	Start rig, break circulation, work stuck pipe. Wait on diesel to spot with. Replace stripping rubber. Pump 40 bbls mud from reserve pit to working pit. Wait on diesel, pump 15 gallons Pipe-Lax with 600 gallons diesel, work pipe for 15 minutes, shut in for 45 minutes. Repeat procedure for 5 hours. Pipe freed up, circulate diesel out of hole, hook up kelly hose, circulate, hook up mud guns to agitate mud in working pits. Circulate and wash down, circulate. Pre treat mud with 15 sacks LCM at 1500'. Drill and circulate with full returns.

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10/5/99 2400 900

Drill, circulate and wash down with full returns. Wash down to 1747' with full returns. Main pump went down, change fuel filters and clean out fuel lines on pump motor. Switch to standby pump and circulate. Dispatch mechanic, trip out of hole and check bit, bit OK. Fill hole, wait on mechanic. Make repairs to main pump motor. Trip in hole, wash down and circulate. Tag 6" hole at 2149', began reaming. Hook up shale shaker and shake out LCM, continue reaming to 2400'.

10/6/99 2949 549

Service rig, ream and circulate, drill through tight spot at 2449'. Well un-loaded sand, add 3 quarts of Polymer at pump suction. Reaming, hit tight spot between 2700' and 2732'. Circulate and work tight spot, ream. Tag original TD at 2889'. Start time drilling and catching 10' samples. Service rig and time drill rest of day and night.

10/7/99 3142 193

Time drill, run water and mix mud, drill to 3142'. Work on swivel and mud pump. Trip out of hole with bit # 1 (one jet was missing and one cone was loose; all buttons were intact). Shut down and wait on power swivel.

10/8/99 3142 0

Wait on bit, power swivel and additional drill pipe. Pick up new bit # 2 and trip in hole with same. Rig up power swivel.

10/9/99 3238 96

Service rig, drill to 3238', surface casing parted, ceased circulation and pull 4 joints of drill pipe, rotate drill string. Attempt to pump out of the reserve pit with main mud pump. Dig out cellar and found surface casing parted 6' from surface. Wait on welder and backhoe. Dig out cellar, level BOP and help welder weld casing. Clean mud pit and mix mud.

10/10/99	3390	152	Mix mud and circulate, trip in hole, drill, work on power swivel. Work pipe, wait on parts for swivel, make power swivel repairs and drill to 3390'
10/11/99	3525	135	Service rig, drill, power swivel packing washed out, wait on packing. Pack power swivel and drill rest of day and night.
10/12/99	3716	191	Service rig, drill all day and night.
10/13/99	3775	58	Service rig, drill, change out swivel motor, stick drill pipe, work pipe, wait on Pipe-Lax and diesel fuel. Pump diesel and Pipe-Lax around drill collars, work on power swivel.
10/14/99	3775	0	Wait on power swivel # 3, rig down swivel # 2 and rig up swivel # 3, work stuck pipe, pump diesel up hole, work stuck pipe, and pump diesel up hole.
10/15/99	3775	0	Work stuck pipe, pump an additional 1525 gallons diesel and 25 gallons Pipe-Lax. Work stuck pipe; pipe came loose at 7:00 PM. Circulate and condition mud, build mud to 46 viscosity.
10/16/99	3810	35	Circulated and condition hole, short trip to drill collars, no drag, mix mud, trip in hole, casing parted 2 feet from surface. Pick up swivel with 4 stands in derrick and circulate. Wait on welder, weld casing, circulate and condition hole, trip in hole, wash 45 foot to bottom; drill rest of day and night.
10/17/99	3844	34	Service rig, drill, TD @ 3844 feet, 10:00 AM. Circulate and condition mud, short trip to collars, circulate and condition mud, wait on loggers, circulate and condition mud.

10/18/99

3844

TD

Circulate and condition hole, wait on loggers, short trip to collars, circulate and condition hole. Trip out of hole for loggers, rig up Halliburton Energy Services and trip in hole with Dual Induction Short Guard, Spectral Density Dual Spaced Neutron and Microlog. Log from Loggers TD (3842') to base of surface casing, rig down and release Halliburton. Wait on orders, prepare to run and cement 4 1/2" production casing. Trip in hole with drill pipe, circulate and condition mud; lay down drill pipe and collars, haul water. Deliver 90 joints on new 4 1/2" OD, 8 rd, 10.5#, J-55, STC, Prime production casing, unload and tally same. Rig up San Juan Casing crew and trip in hole with production casing. Casing make-up consists of 1 saw-tooth guide shoe on bottom, one insert auto-fill float collar on second joint, and centralizes on the following joints: 3,5,7,9,11,13,52,54,56 & 58.

11/19/99

3844

TD

Run production casing, land at 3842' with float collar at 3797.6'. Plug back depth = 3798'. Rig down and release casing crew. Circulate and condition mud. Cement with 15 bbls fresh water pre-flush, followed with 175 sacks Class "C", 2% C-lite, 4lbs/sk Gilsonite, 1/4 lb/sk Celloflake plus 175 Sacks Neat Cement. Displaced with 61 Bbls 2% KCL. Good circulation observed Throughout cementing process. Plug Down at 10:25 AM, Plug held okay. Services performed by American Energy Services, Farmington, New Mexico. Wait on cement. Release geologist.

BIT RECORD

<u>BIT NO.</u>	<u>DEPTH IN</u>	<u>BIT MFGR</u>	<u>BIT TYPE</u>	<u>BIT SIZE</u>	<u>FOOT AGE</u>	<u>WOB</u>	<u>RPM</u>	<u>PUMP x1000</u>
1	0	Hughes-Christenson	STR 40	6.25"	3142'	10K	35	250psi
2	3142	Hughes-Christenson	STR 40	6.25"	702'	10K	40	350psi

MUD RECORD

<u>DATE</u> 1999	<u>DEPTH</u>	<u>WEIGHT</u> <u>LBS/GAL</u>	<u>VIS</u> <u>SEC/QT</u>	<u>WL</u> <u>API</u>	<u>FC</u> <u>n/32</u>	<u>PH</u> <u>STRIP</u>	<u>CL</u> <u>PPM</u>
10/1	1332	8.7	42	NC	NC	10.5	350
10/4	1332	8.5	45	6.6	2	11.0	500
10/5	2265	8.5	68	6.4	1+	10.0	400
10/6	2732	8.4	81	9.2	2	9.0	400
10/7	3140	8.8	62	8.8	2	9.0	400
10/9	3238	8.6	41	12.0	1+	8.5	400
10/10	3265	8.7	44	10.0	1+	8.5	400
10/11	3460	8.9	43	8.0	2	8.5	400

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HYDROCARBON SHOW SUMMARY # 1

WELL NAME: Gus Berry # 26-1 State 13-104416

1. DRILLING DATA

- A. TOP OF DRILLING BREAK IN FT: 3450
- B. BASE OF DRILLING BREAK IN FT: 3460
- C. THICKNESS OF BREAK IN FT: 10
- D. RATE OF PENETRATION ABOVE BREAK -MIN/FT: 8 min/ft
- E. RATE OF PENETRATION IN BREAK -MIN/FT: 3 min/ft

2. DESCRIPTION OF SAMPLE SHOW

- A. FORMATION: Martin Devonian Dolomite LITHOLOGY:
SS. ___% LS. ___% DOL. 100% SH. ___% CHERT ___%
- B. STAIN: GOOD ___ FAIR X TRACE ___ NONE ___
- C. ODOR: GOOD ___ FAIR ___ TRACE ___ NONE X
- D. SAMPLE FLOUR: 80% Bright White COLOR.
- E. CUT FLOUR-- (DISH, RIM, DRY, CRUSH):
GOOD ___ FAIR ___
TRACE X NONE ___
- F. BACKGROUND GAS KICK MEAS. BEFORE SHOW INTERVAL:
HW= NA UNITS C1= ___% C2= ___% C3= ___% C4= ___%
- G. MAXIMUM GAS KICK MEAS. IN SHOW INTERVAL:
HW= NA UNITS C1= ___% C2= ___% C3= ___% C4= ___%
- H. BACKGROUND GAS KICK MEAS. AFTER SHOW INTERVAL:
HW= NA UNITS C1= ___% C2= ___% C3= ___% C4= ___%
- I. MUD WEIGHT: 8.9 VIS: 43

3. **COMPLETE LITHOLOGIC DESCRIPTION:** Dolomite (100%): White, buff, medium to dense texture, microcrystalline to very fine crystalline, trace red and green shale, fair porosity, good permeability, fair heavy stain, no odor, good bright white fluorescence, trace cut.

STIVERS CONSULTING inc.

HYDROCARBON SHOW SUMMARY # 2

WELL NAME: Gus Berry # 26-1 State 13-104416

1. DRILLING DATA

- A. TOP OF DRILLING BREAK IN FT: 3610
- B. BASE OF DRILLING BREAK IN FT: 3620
- C. THICKNESS OF BREAK IN FT: 10
- D. RATE OF PENETRATION ABOVE BREAK -MIN/FT: 6 min/ft
- E. RATE OF PENETRATION IN BREAK -MIN/FT: 4 min/ft

2. DESCRIPTION OF SAMPLE SHOW

- A. FORMATION: Martin Devonian Dolomite LITHOLOGY:
SS. % LS. % DOL. 80% SH. 20% CHERT %
- B. STAIN: GOOD FAIR X TRACE NONE
- C. ODOR: GOOD FAIR TRACE NONE X
- D. SAMPLE FLOUR: 50% Bright White COLOR.
- E. CUT FLOUR-- (DISH, RIM, DRY, CRUSH):
GOOD FAIR
TRACE X NONE
- F. BACKGROUND GAS KICK MEAS. BEFORE SHOW INTERVAL:
HW= NA UNITS C1= % C2= % C3= % C4= %
- G. MAXIMUM GAS KICK MEAS. IN SHOW INTERVAL:
HW= NA UNITS C1= % C2= % C3= % C4= %
- H. BACKGROUND GAS KICK MEAS. AFTER SHOW INTERVAL:
HW= NA UNITS C1= % C2= % C3= % C4= %
- I. MUD WEIGHT: 8.9 VIS: 43

3. COMPLETE LITHOLOGIC DESCRIPTION: Dolomite (80%): White, buff, dense texture, microcrystalline to very fine crystalline, calcareous, good intercrystalline porosity, fair permeability, fair heavy oil stain, no odor, fair bright white fluorescence, trace cut.

STIVERS CONSULTING inc.

HYDROCARBON SHOW SUMMARY # 3

WELL NAME: Gus Berry # 26-1 State 13-104416

1. DRILLING DATA

- A. TOP OF DRILLING BREAK IN FT: 3720
- B. BASE OF DRILLING BREAK IN FT: 3760
- C. THICKNESS OF BREAK IN FT: 40
- D. RATE OF PENETRATION ABOVE BREAK -MIN/FT: 12 min/ft
- E. RATE OF PENETRATION IN BREAK -MIN/FT: 2 min/ft

2. DESCRIPTION OF SAMPLE SHOW

- A. FORMATION: Martin Devonian Dolomite LITHOLOGY:
SS. % LS. % DOL. 100% SH. % CHERT %
- B. STAIN: GOOD FAIR X TRACE NONE
- C. ODOR: GOOD FAIR TRACE NONE X
- D. SAMPLE FLOUR: 80 % Bright White COLOR.
- E. CUT FLOUR-- (DISH, RIM, DRY, CRUSH):
GOOD FAIR
TRACE X NONE
- F. BACKGROUND GAS KICK MEAS. BEFORE SHOW INTERVAL:
HW= NA UNITS C1= % C2= % C3= % C4= %
- G. MAXIMUM GAS KICK MEAS. IN SHOW INTERVAL:
HW= NA UNITS C1= % C2= % C3= % C4= %
- H. BACKGROUND GAS KICK MEAS. AFTER SHOW INTERVAL:
HW= NA UNITS C1= % C2= % C3= % C4= %
- I. MUD WEIGHT: 9.0+ VIS: 60

3. COMPLETE LITHOLOGIC DESCRIPTION: Dolomite (100%): White, buff, medium to dense texture, fine to medium to coarse crystalline, calcareous, good intercrystalline porosity, good permeability, fair heavy oil stain, no odor, good bright white fluorescence, trace cut.

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SAMPLE DESCRIPTION

NOTICE: Samples are corrected for drill time lag. Samples are corrected to Electric Log Measurements.

- 2890 - 3060 Shale (100%): Red, blocky, silty, calcareous, trace white, medium to dense texture, microcrystalline limestone.
- 3060 - 3250 Shale (60%): As above
Limestone (20%): White, medium to dense texture, very fine crystalline, poor porosity and permeability, no stain, no odor, no fluorescence.
Sandstone (20%): White, very fine grained, equant, subrounded to round, well sorted, moderately hard, calcareous to argillaceous, very shaly, poor porosity and permeability, no stain, no odor, no fluorescence.
- 3250 - 3410 Limestone (80%): White, buff, medium to dense texture, microcrystalline to very fine crystalline, dolomitic in part, fair porosity and permeability, no stain, no odor, fair bright white fluorescence. **TOP MISSISSIPPIAN**
Shale (20%): Red, blocky, silty calcareous.
- 3410 - 3450 Dolomite (80%): White, buff, medium to dense, microcrystalline to very fine crystalline, shaly, poor porosity and permeability, no show. **TOP DEVONIAN**
Shale (20%): As above.
- 3450 - 3460 Dolomite (100%): White, buff, medium to dense texture, microcrystalline to very fine crystalline, trace red and green shale, fair porosity, good permeability, fair heavy oil stain, no odor, good bright white fluorescence, trace cut. **HYDROCARBON SHOW REPORT # 1.**
- 3460 - 3500 Dolomite (50%): As above with poor bright white fluorescence
Shale (50%): Red, green, trace gray, black, calcareous, silty.
- 3500 - 3550 Dolomite (80%): As above
Shale (20%): As above
- 3550 - 3610 Dolomite (50%): As above
Shale (50%): As above

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3610 - 3620

Dolomite (80%): White, buff, dense texture, microcrystalline to very fine crystalline, calcareous, good porosity with some intercrystalline porosity, fair permeability, fair heavy oil stain, no odor, fair bright white fluorescence, trace cut. **HYDROCARBON SHOW REPORT # 2.**
Shale (20%): As above

3620 - 3680

Dolomite (90%): White, buff, medium to dense texture, very fine to fine crystalline, calcareous, fair intercrystalline porosity, poor permeability, no stain, no odor, good bright white fluorescence, no cut.
Shale (10%): As above

3680 - 3720

Dolomite (50%): As above, very shaly with poor porosity, permeability and fluorescence.
Shale (50%): As above

3720 - 3760

Dolomite (100%): White, buff, gray, medium to dense texture, fine to medium to coarse crystalline, calcareous, good intercrystalline porosity, good permeability, fair heavy oil stain, no odor, good bright white fluorescence, trace cut. **HYDROCARBON SHOW REPORT # 3.**

3760 - 3780

Shale (60%): Red, green, trace gray to black, calcareous, silty.
Dolomite (40%): As above, with poor porosity and permeability, no show.

3780 - 3844

Granite (100%): Green, gray, dense, coarse crystalline, abundant translucent quartz fragments. **TOP PRE CAMBARIAN.**

STIVERS CONSULTING inc.

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

Gus BERRY

NAME OF COMPANY OR OPERATOR

P O Box 730

Okmulgee

OK

74447

918 756-4416

Address

City

State

Phone Number

Key Energy

Drilling Contractor

PO Box 900

5651

US Hwy 64

FARMINGTON NM 87499

Address

DESCRIPTION OF WELL AND LEASE

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

State Lease # 13-104416

Well number

26-1

Elevation (ground)

5250'

Nearest distance from proposed location to property or lease line:

467'

feet

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

None

feet

Number of acres in lease

640

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

None

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

N/A

Name

Address

Well location (give footage from section lines)

3500' FWL & 467' FNL

Section - township - range or block and survey

26 19N-13E

Dedication [A.A.C. R12-7-104(A)(3)]

N/2 OF NE 1/4

Field and reservoir (if wildcat, so state)

Wildcat

County

COCONINO

Distance in miles and direction from nearest town or post office

18 W WINSLOW

Proposed depth:

3500'

Rotary or cable tools

ROTARY

Approximate date work will start

9-28-99

Bond status

Receipt # 3107

Organization Report

Filing Fee of \$25.00

Amount

10,000 CD

On file

Or attached

Attached

Remarks

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Gus BERRY 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.

API # 02-005-20033

Signature

9-27-99

Date

Well completed form is Oil and Gas Program Administrator Arizona Geological Survey 418 W. Congress, #100 Tucson, AZ 85701-1315

Permit Number: 886
Approval Date: 9-27-99
Approved By: Steven L. Rainey

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

PLUGGING RECORD

Operator THE TOWNSEND Co.		Address 2925 WOODLAKE ABILENE, TX 79606	
Federal, State, or Indian Lease Number or lessor's name if fee lease. ST. 13-24542		Well No. 26-1	Field & Reservoir
Location of Well 3500' FWL & 467' FNL SEC 26 - T19N - R13E			County COCONINO
Application to drill this well was filed in name of SAME	Has this well ever produced oil or gas No	Character of well at completion (initial production): Oil (bbbls/day) N/A Gas (MCF/day) Dry? 	
Date plugged: 6-16-95	Total depth 2960	Amount well producing when plugged: Oil (bbbls/day) NONE Gas (MCF/day) Water (bbbls/day) 	
Name of each formation containing oil or gas. Indicate which formation open to wellbore at time of plugging NONE	Fluid content of each formation Fresh wtr Coconino SS	Depth interval of each formation 180' - 1250'	Size, kind & depth of plugs used. Indicate zones squeeze cemented, giving amount cement CMT 1300' - 1200'

CASING RECORD

Size pipe	Put in well (ft.)	Pulled out (ft.)	Left in well (ft.)	Give depth and method of parting casing (shot, ripped, etc.)	Packers and shoes
14"	14	-	14		
8 5/8"	500'	-	500'		

Was well filled with heavy drilling mud, according to regulations? **YES** Indicate deepest formation containing fresh water. **COCONINO SD.**

NAMES AND ADDRESSES OF ADJACENT LEASE OPERATORS OR OWNERS OF THE SURFACE

Name	Address	Direction from this well:

In addition to other information required on this form, if this well was plugged back for use as a fresh water well, give all pertinent details of plugging operations to base of fresh water sand, perforated interval to fresh water sand, name and address of surface owner, and attach letter from surface owner authorizing completion of this well as a water well and agreeing to assume full liability for any subsequent plugging which might be required.

Cmt plug from 1300'-1000', PRTD 1000', well turned out to B-T-Bar Rancine: CW

Use reverse side for additional detail.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the **OWNER** of the **THE TOWNSEND Co.** (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 **6-24-95**

Signature **[Signature]**

Permit No. **00886**

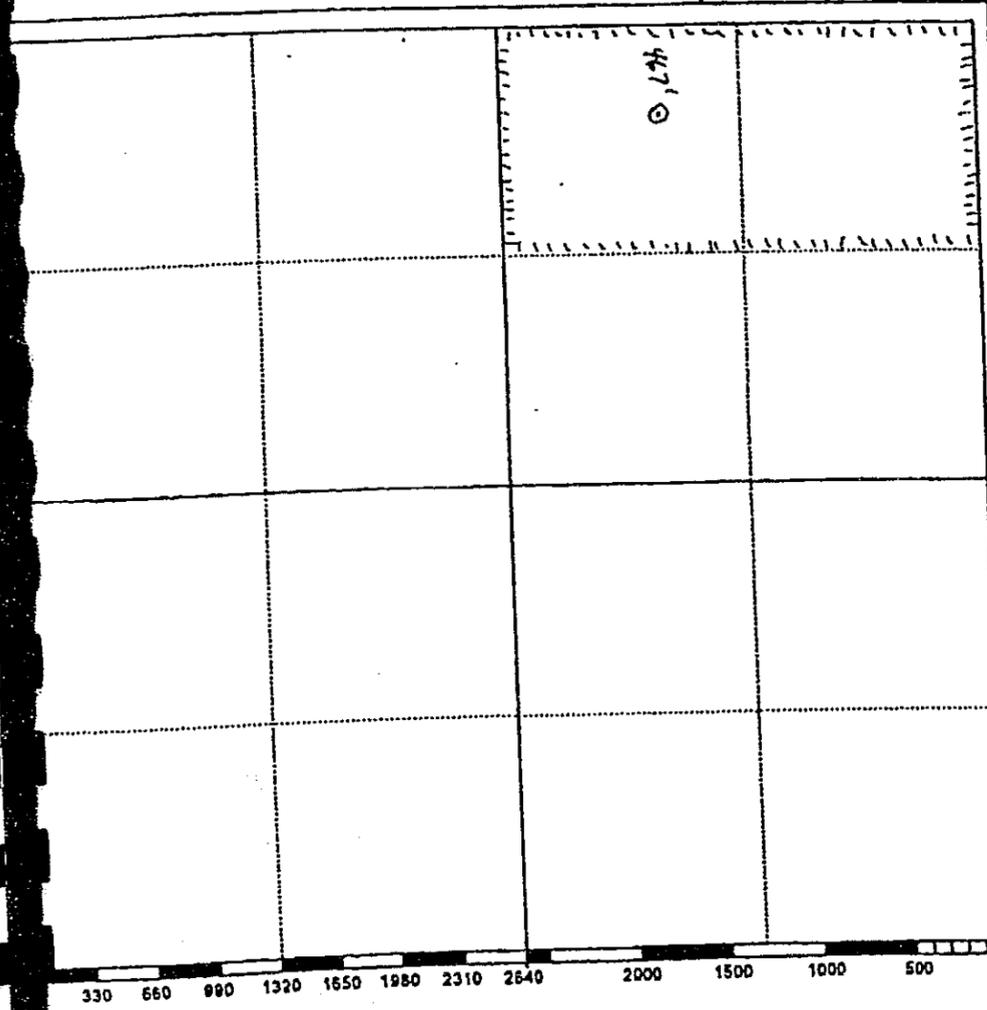
Form No. 10

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Plugging Record
File One Copy

filed 6-29-95

1. Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
2. A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
4. Is the operator the only owner in the dedicated acreage outlined on the plat below? YES NO
5. If the answer to question four is "no", have the interests of all owners been consolidated by communitization agreement or otherwise? YES NO If answer is "yes", give type of consolidation _____
6. If the answer to question four is "no", list all the owners and their respective interests below:

Owner	Land Description



CERTIFICATION

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

Name _____

Position _____

Company _____

Date _____

I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed Mar 9 1995

Registered Land Surveyor
Robert Beamish

Certificate No. 14165

PROPOSED CASING PROGRAM							
Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
<u>6 5/8</u>	<u>24#</u>		<u>Top</u>	<u>500'</u>	<u>600' to Top</u>	<u>450</u>	<u>'A'</u>


TOWNSEND CO.
INDEPENDENT OIL OPERATOR
ABILENE, TEXAS

1150 Estates Drive, Suite A
Abilene, Texas 79602

TELEPHONE
(915) 672-6448

TO THE OWNERS OF THE STATE 26-1

PIN 886

May 18, 1995

Set 14' of 14" pipe & cemented with 10 sacks of cement.
Start drilling surface 12 1/4" hole today.

May 19, 1995.

Rig down waiting on material.

May 20, 1995

Drill 125' 12 1/4" hole, TD 125'.

May 21, 1995

Drill 255' 12 1/4" hole, TD 380'.

May 22, 1995

Drilled 245' of 12 1/4" hole, TD 500'.

May 23, 1995

Ran 500' of 8 5/8" casing.

May 24, 1995

Cemented with 240 sacks of Portland cement.

May 25 - 29, 1995

Waiting on rig.

May 30, 1995

Moving in rig and rigging up.

P/N 886

May 31, 1995

Tested blow out preventer to 450 pounds and drilling out from under surface.

June 1, 1995

Made 200' TD 700', drilling with air.

June 2, 1995

Drilled 540', TD 1240', drilling with mud, 38 vis.

June 3, 1995

TD 1540' pipe stuck at 1460' coming out of hole for bit trip/spot 100 gallon diesel, set 8 hours/good return on pump/mud 40 vis., weight 8.9, 11.1 water loss, 1/32 filter cake.

June 4, 1995

Pipe free, good circulation, pipe sticks coming up/work pipe, make 20', spot low surf chemicals.

June 5, 1995

Work pipe, make 20', pipe still sticks.

June 6, 1995

Pipe free, came out of hole to change to 6 1/2" bit, drilling, lost cir @ 1635', lost 10 lbs regained cir, made 200', TD 1740'.

June 7, 1995

Small gas shows @ 1760'-1850', made 300' TD 2040'.

June 8, 1995

Made bit trip, changed to 6" bit, made 230' TD 2270'.

PIN 886

June 9, 1995

TD 2460', made 190', mud 39 vis, 9.1 wt, 1/32 filter cake, 7.1 water loss.

June 10, 1995

Down waiting for rig.

June 11, 1995

Repair parts for rig.

June 12, 1995

Repair parts for rig.

June 13, 1995

TD 2560', made 100' in 8 hours, mud 38 vis, 8.7 wt, 1/32 filter cake, 10.2 water loss.

June 14, 1995

TD 2740', made 180', mud 39 vis, 8.9 wt, 1/32 filter cake, 8.0 water loss.

June 15, 1995

TD 2880', made 140'.

June 16, 1995

Final TD 2960', ran electric logs, no shows, plugged and abandoned well with 50 sacks of cement. -Plugged from 900' to 1200'.

FINAL REPORT - WELL PLUGGED

Benay Coou

CESIUM VAPOR AEROMAGNETIC SURVEY,
METEOR CRATER AREA,
ARIZONA

FINAL REPORT

A study giving the locations of Authigenic Alterations
of Rocks at semi-shallow surface depths.

Prepared for
Irvin Townsend

September 12, 1994

Geoscience & Technology, Inc
1328 Etain Rd
Irving, Texas 75060

FINAL REPORT

CESIUM VAPOR MAGNETOMETER SURVEY,
METEOR CRATER AREA,
ARIZONA

1.0 SURVEY AREA and PURPOSE OF SURVEY.

The meteor crater area survey is located over and to the east of the crater area. The survey area is located between latitude 34 55'00" and 35 07'30" and longitude -110 47'30" and -111 07'30". The area was surveyed by Airmag Surveys, Inc. The purpose of this data processing of the cesium vapor magnetometer data is to determine the presence or lack of any authigenic semi-shallow sedimentary magnetic alterations that will exist as a "magnetic fossil" above micro-leaking hydrocarbon deposits.

2.0 DATA REDUCTION METHODS.

Aeromagnetic data are composed of information from four basic sources. Variations in the earth's magnetic field are caused by (1) granitic and basaltic basement rocks either by their varying distances to the surface or by changes in their magnetic properties; (2) cultural contamination from surface and near surface iron material; (3) by intrusive and volcanic debris and salt masses that may lie in the semi-shallow depths; and (4) by rocks in the sedimentary column.

Data processing requires removal of the contributions to magnetic variations along a flight line caused by basement rocks. Precise removal of the contribution caused by basement variations will cause the residual magnetic field profile of the flight line to be of approximate constant magnetic value with only iron cultural contamination, the presence of intrusive and volcanic debris in the semi-shallow depths, and magnetic changes in the semi-shallow rock environment providing changes to the magnetic field. Elimination of the effects of the cultural contamination where possible will reveal any anomalous authigenic magnetic alterations caused by rocks enriched in magnetic properties in the semi-shallow environment. The magnetic field remaining after removal from the total of that part calculated to be created by the basement rocks in the absence of magnetic contamination is the sedimentary residual magnetic field (SRM). Anomalies in this calculated

sedimentary residual magnetic field provide the locations and intensities of alteration caused by "fossil" magnetic rocks in the near-surface environment in the absence of intrusive and volcanic debris are the SRM anomalies. Magnitude of SRM anomalies in these data range from 0.25 nT to 1.20 nT with an average value less than 0.5 nT. These SRM anomalies are shown as rectangular blocks along the flight line with anomaly alteration intensity shown in $\frac{nT}{100}$. One, two or three small squares are shown in the upper right hand corner of the blocks when the anomaly intensity distribution, or shape (anomaly shape factor = ASF), compares to the magnetic field distribution of anomalies found to exist over oil and gas areas, three blocks being the best. Areas of cultural contamination where such contamination cannot be removed are shown as XXXXXX along the flight line. A small square about a vertical line is placed on the flight line to show the position of a low intensity (<10 nT) high frequency surface contamination "spike" in the magnetic field data. When such a "spike" in the data is greater than 10 nT, but less than 50 nT, a second square is placed around the first smaller square. A third square about the vertical line signifies a contamination "spike" greater than 50 nT. A small triangle about a vertical line shows the location of an oscillation in the data causing a change of less than 10 nT peak-to-peak. When this change is greater than 10 nT, but less than 50 nT, a square is placed around the triangle, and, when greater than 50 nT, a second square is shown.

3.0 MAGNETIC SUSCEPTIBILITY ANALYSIS.

Measurement of the magnetic properties of drill hole rock cuttings can be used to identify the magnetic properties of rock strata and to verify the discovery of a sedimentary residual anomaly by the survey aircraft. Thick strata of enriched magnetic rocks are usually found to exist in the semi-shallow environment over oil and gas fields. No exploration drill hole cuttings are known to be available from the survey area.

4.0 RESULTS OF DATA ANALYSIS.

The results of data analysis for determining the sedimentary residual magnetic field (SRM) are included at the scale of 1:48000 and in the final report at the scale of 1:96000.

The meteor crater survey has twenty-seven (27) east/west survey lines and seven (7) north/south tie lines. The SRM map has seven (7) multi-line sedimentary residual cluster anomalies (CSRM). Table 1 lists these seven (7) CSRM anomalies, and gives each a relative rating (column 10) in descending order. One method of rating mapped anomalies has been standardized, and is presented. An evaluation is made of each of the eight CSRM anomalies according to: (1) number of flight anomalies N within the (cluster) anomaly; (2) average intensity \bar{I} of sedimentary residual magnetic anomalies included within the anomaly cluster in $\frac{nT}{100}$; (3) area A in square miles covered by the anomaly; and (4) the ASF number within the cluster anomaly, where a single ASF within an anomaly is

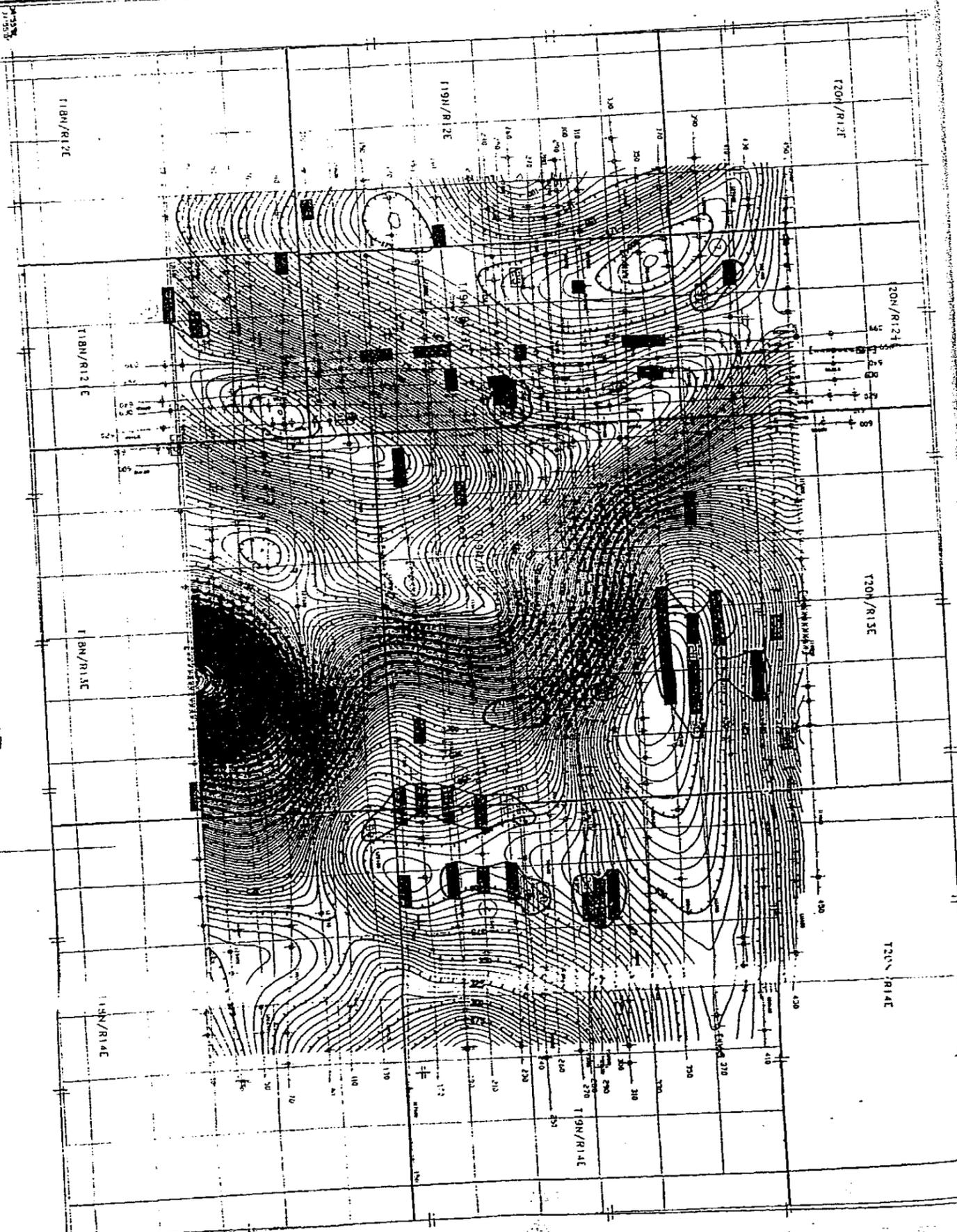
counted as one ASF, a double ASF is counted as two ASF's and a three ASF anomaly is counted as three ASF's. This method is:

$$\text{Relative Rating} = (\bar{I} \times A)(1 + \#ASF/N)/10$$

Final delivered data include: (1) the SRM map with mylar master at scales of 1:48000 and 1:96000 in the Final Report; (2) contour map of the total IGRF-corrected magnetic field map at scales of 1:48000 and 1:96000 in the Final Report; (3) archive diskette of the magnetic field upon final payment of the data; and (4) the final report.

5.0 Meteor Crater Area Summary.

Table 1 lists the Relative Rating (RR) for the 7 CSRM. Relative Ratings are set as follows, and are presented on a summary map according to the RR values as the Final Ratings as: RR(1) = 5.0-9.9(*)-BROWN = 2; RR(2) = 10.0-14.9(**)-BLUE = 0; RR(3) = 15.0-19.9(***)-GREEN = 1; RR(4) = 20.0-29.9(****)-YELLOW = 0; RR(5) = 30.0-49.9(*****)-ORANGE = 0; RR(6) = < 50.0(*****)-RED = 0. Cultural contamination was minimal over the survey area. Only a few CSRM anomalies are found. Anomalies A1 and A2 and A7 are aligned in a N/S direction, and represent good areas. Anomalies A3 and A4 are more circular and also represent good anomalies with A4 being the largest within the survey. The clustering of anomalies within the meteor crater are believed to result from the disintegration of the iron-bearing meteor. The remaining anomalies are small and believed to be insignificant.



Marriott Crater, Arizona, AZ

Custom Vapor Ingestion

118N/R12E

118N/R12E

118N/R12E

118N/R12E

118N/R12E

119N/R12E

120N/R12E

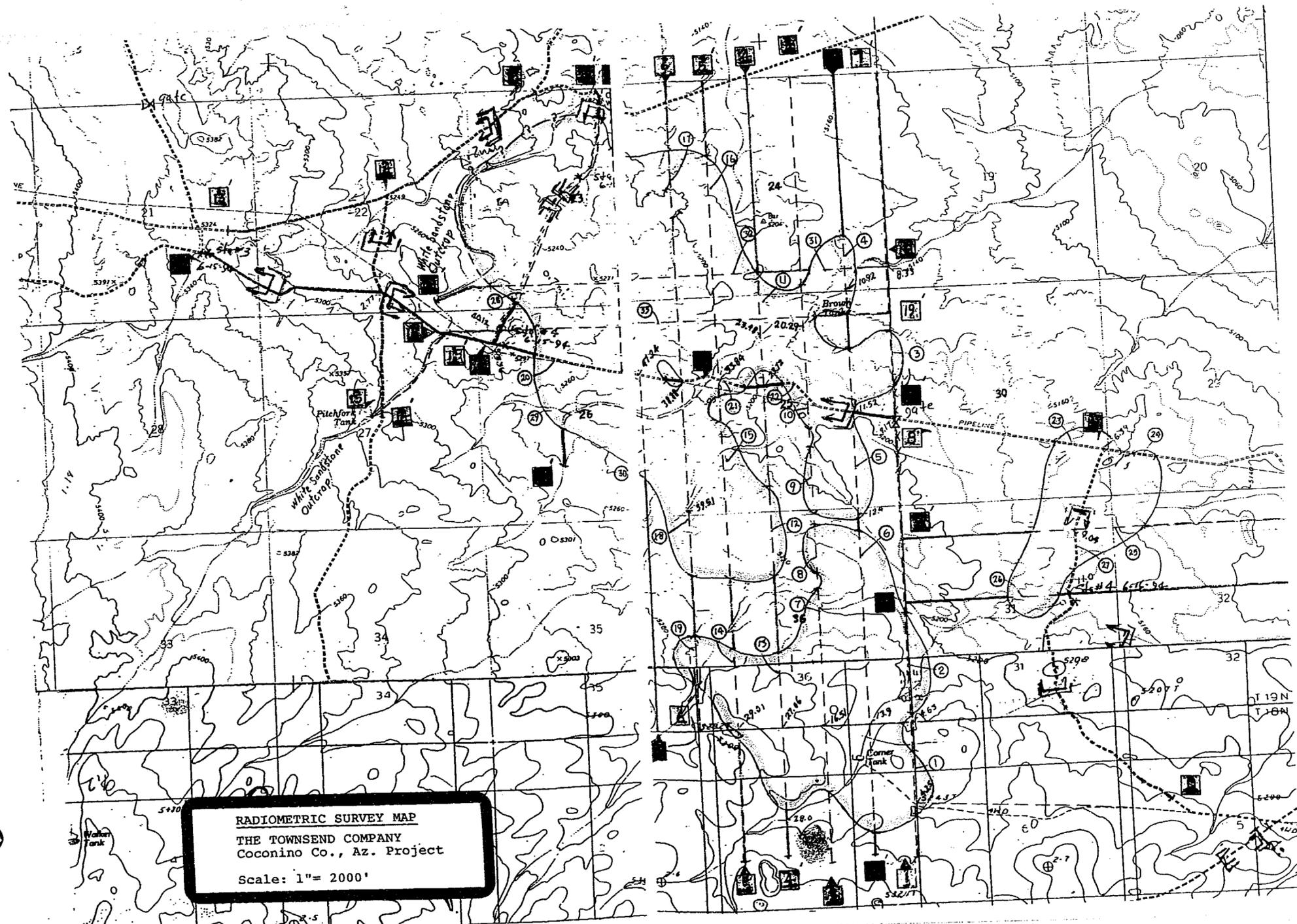
120N/R12E

120N/R12E

120N/R12E

119N/R14E

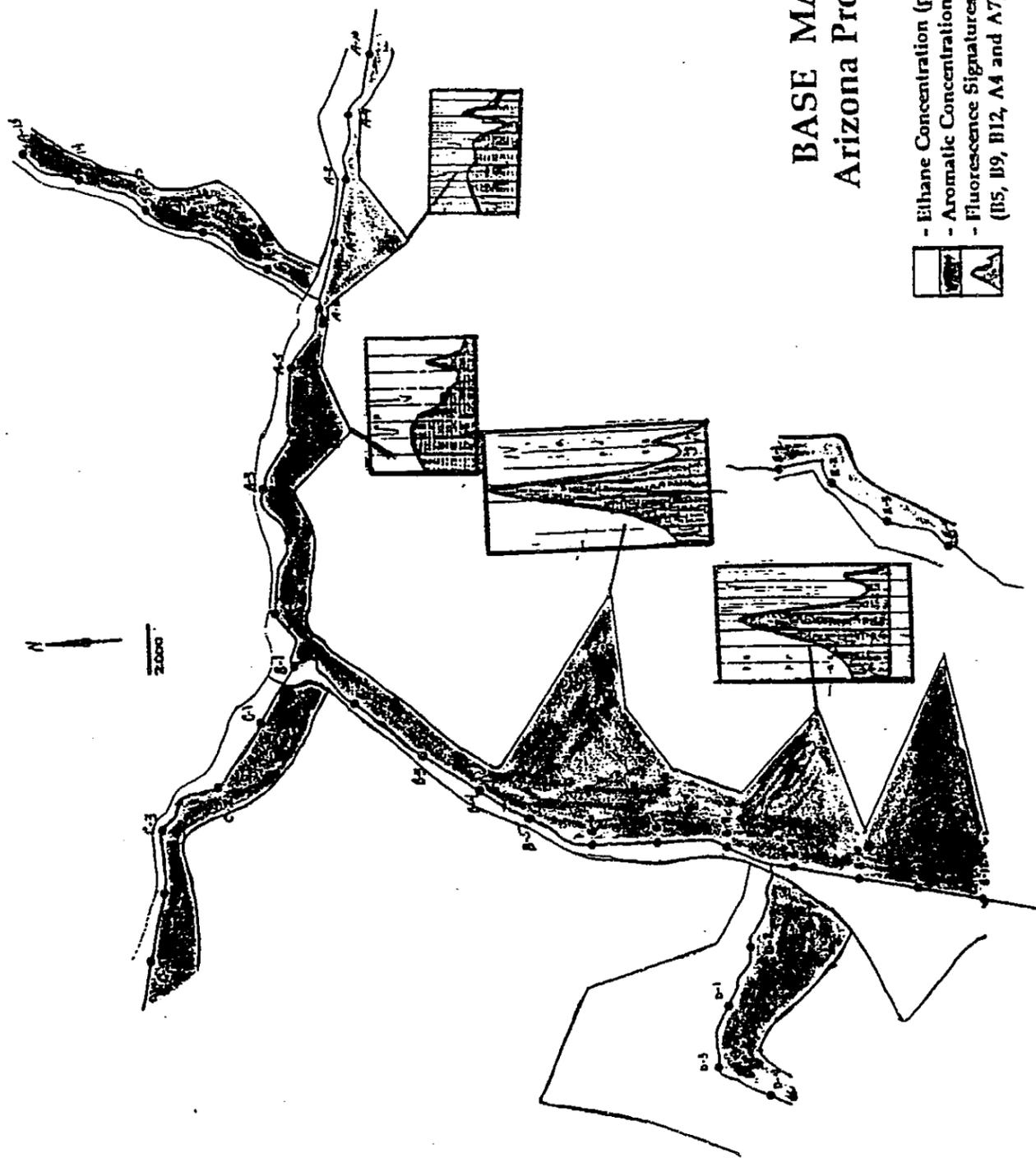
120N/R14E



RADIOMETRIC SURVEY MAP
THE TOWNSEND COMPANY
Coconino Co., Az. Project
Scale: 1" = 2000'

THIS TOWNSEND CO. 26-1 STATE
 NW NE 26-19N-13E, Coconino Co. (88)

See Notes and Forms



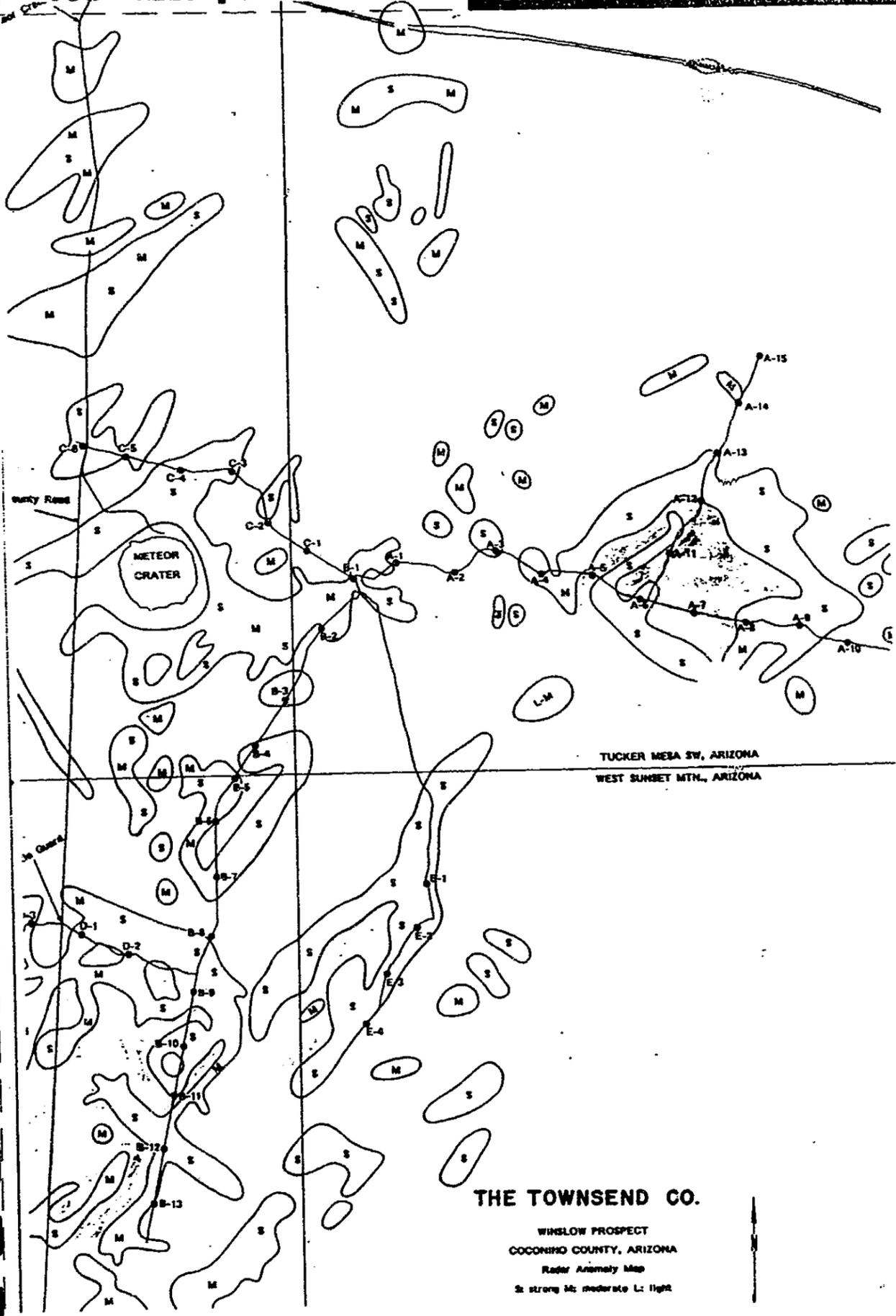
BASE MAP Arizona Project

- Ethane Concentration (ppm/vol)
- Aromatic Concentration (ppb/wt)
- Fluorescence Signatures
(B5, B9, B12, A4 and A7)



*

UP SUPERIEUR ↑ OBEN ↑ 58°C

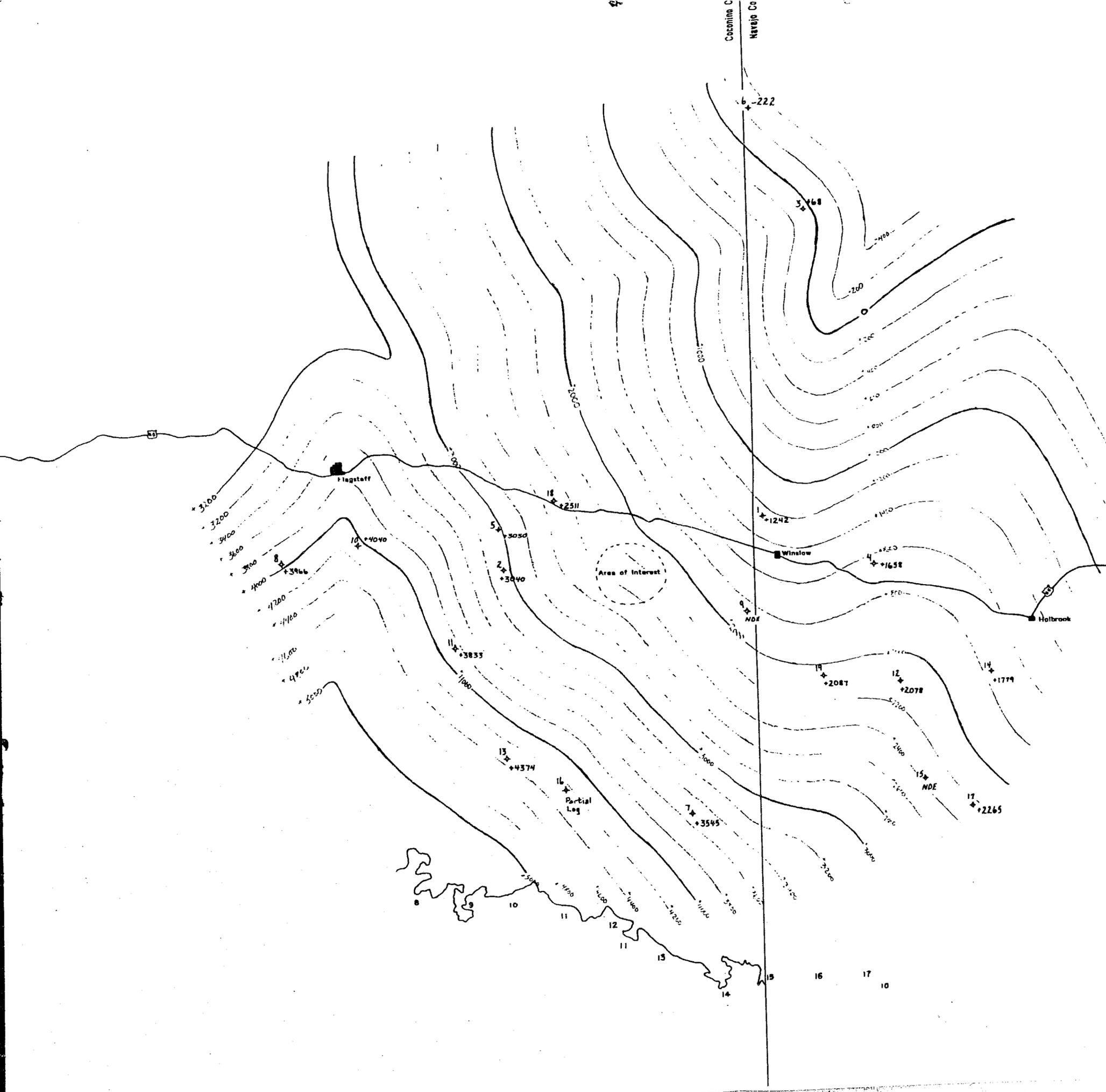


TUCKER MESA SW, ARIZONA
WEST SUNSET MTN., ARIZONA

THE TOWNSEND CO.

WINSLOW PROSPECT
COCONINO COUNTY, ARIZONA
Radar Anomaly Map
S: Strong M: moderate L: light



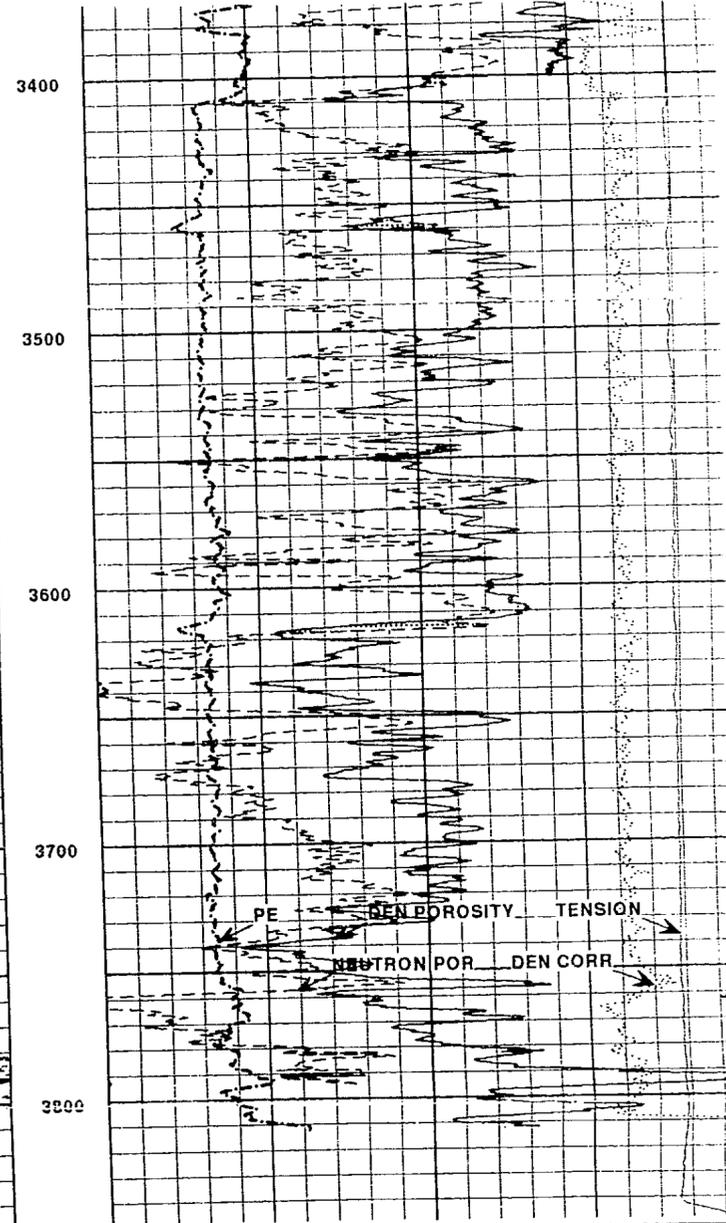
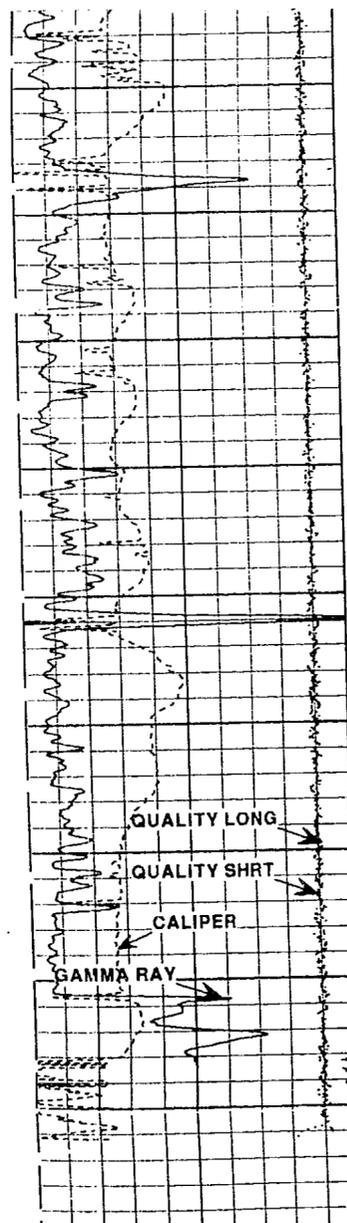
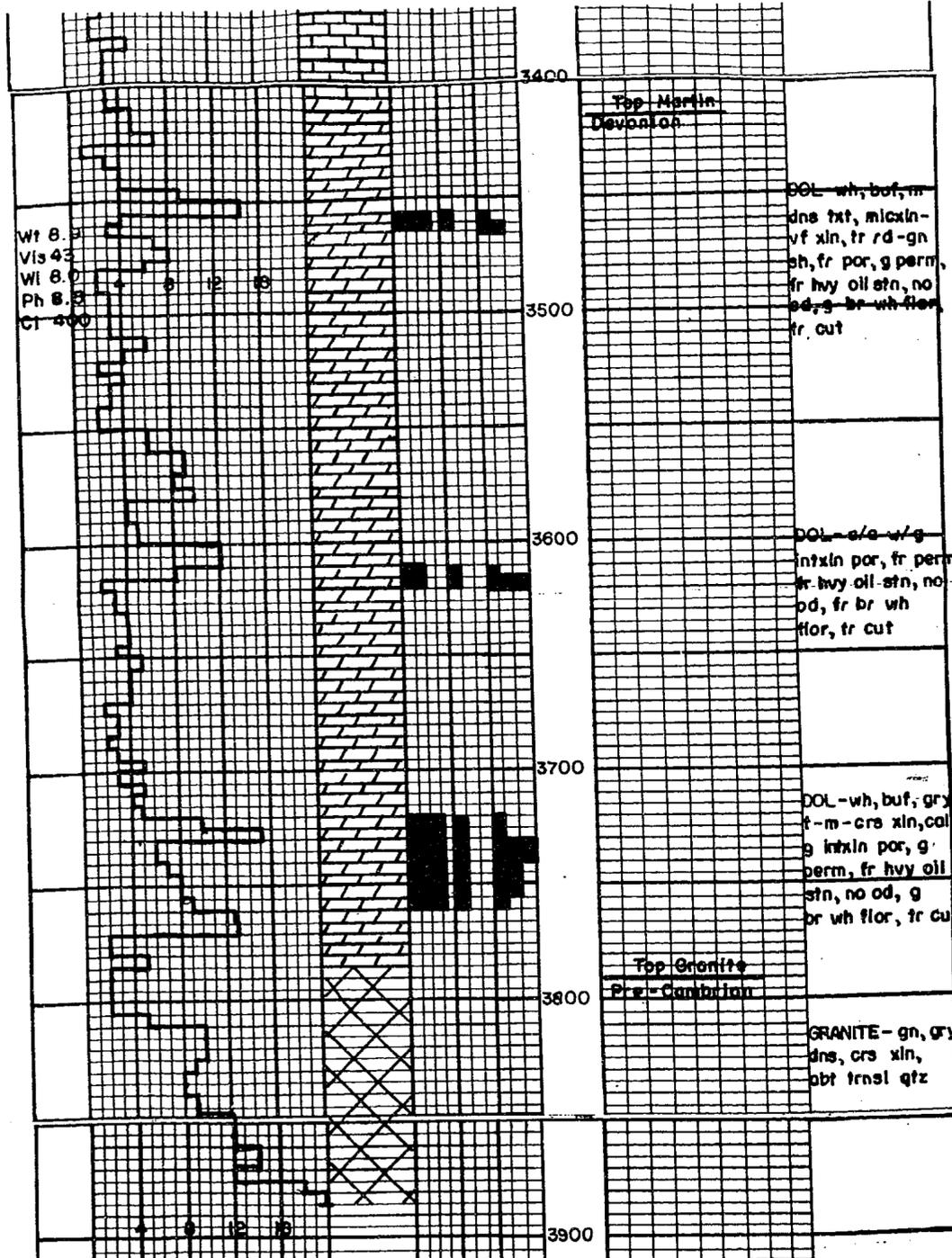


THE TOWNSEND CO.
 WINSLOW PROSPECT
 COCONINO COUNTY, ARIZONA
 Structure Contour Map
 Datum: Top/ Devonian

Date: 7-27-'94

THE TOWNSEND CO.
 26-1 STATE
 26-19N-13E, Coconino Co., (886)

Re: Rules and Forms

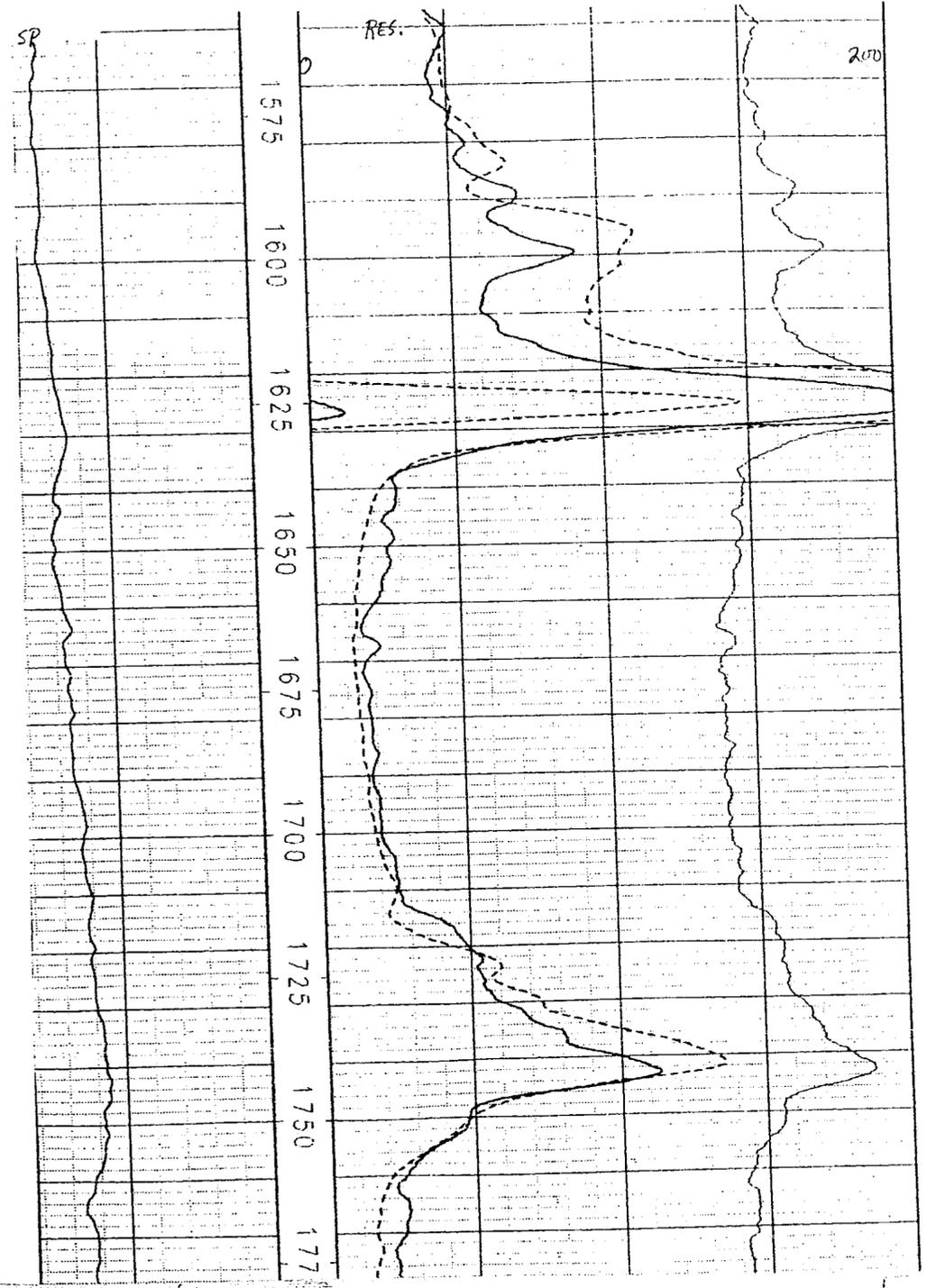
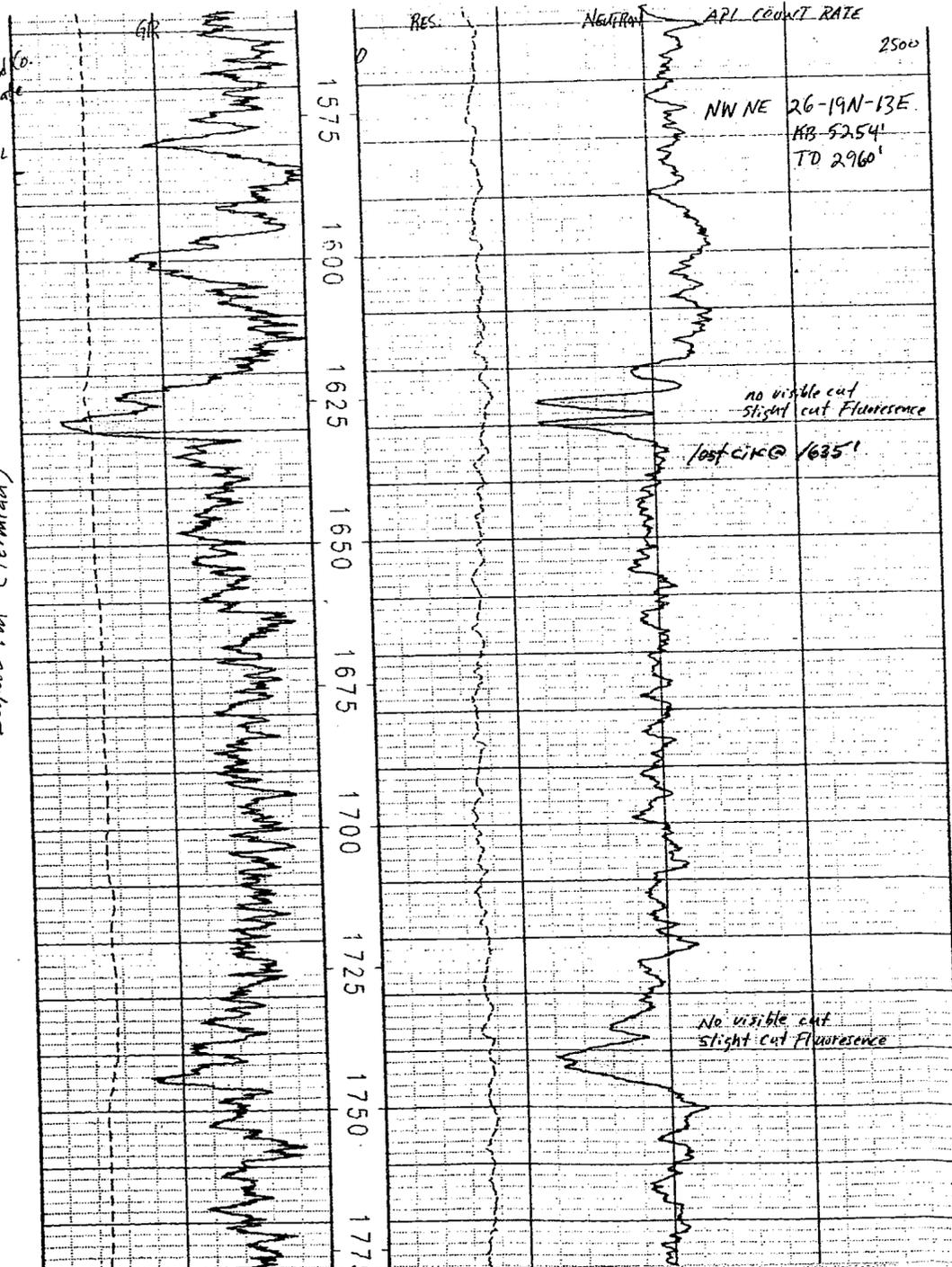


QUALITY LONG	4.5	-.5
QUALITY SHRT	4.5	.5
CALIPER	14	INCHES

PE	10000	TENSION POUNDS
DEN POROSITY	10	DEN CORR GM/CC
	30	%

Townsend Co.
26-1 State
(886)
5240 ft

Sapac Fm (Permian)



TOWNSEND CO.
26-1 STATE
NW NE 26-19N-13E, COCONINO CO. (886)

By: Kites and Farms

Re: 26-1 State

Subject: Re: 26-1 State
Date: Fri, 22 Mar 2002 10:25:34 EST
From: FOGRESOURC@aol.com
To: steve.rauzi@azgs.az.gov

file 886

Sorry I didn't respond to your email the same day you sent it. I usually respond the same day or the next. I have been working on a number of my wells in Oklahoma.

I had sent the one sundry notice off to your offices quite a while back. Top of my head I don't remember but it seems to be at least five or six months ago. I have tried to get both a rig and wireline truck there at the same time. The lack of infrastructure within this state is a real killer. That along with a number of issues having to deal with Gus and former contractors, that have really prevented a willingness on subs to even want to come up and do the work. I still want to get in and open up other zones. I had a rig and wireline unit scheduled for the middle of April and they both have already pushed out that till June. It may come down to me bringing out my small workover unit again along with a friends wireline truck from Oklahoma in June or July, after I get a couple of planned new drills completed.

If all else fails I may have to plug it out. Although that is not really what I want to do.

I will email you with the actual day of workover so you can come up if you wish, once I am provided a firm date and time.

R. W. Rohlfig

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R. W. Rohlfig

26-1 State

Subject: 26-1 State
Date: Thu, 14 Mar 2002 08:43:00 -0700
From: Steve Rauzi <steve.rauzi@azgs.az.gov>
Organization: Arizona Geological Survey
To: Robert Rohlfig <Fogresour@aol.com>

file 886

Robert,

I haven't heard from you about the 26-1 hole in quite awhile. I have not received any Sundry Notices describing the results of your testing. Do you anticipate further tests or is the hole ready to be plugged?

Steve

Re: Rules and Forms

Subject: Re: Rules and Forms

Date: Mon, 13 Aug 2001 20:16:32 EDT

From: FOGRESOURC@aol.com

To: Rauzi_Steve@pop.state.az.us

Steve,

Thanks for being so kind in sending those forms, I really appreciate your help. I really did not try to leave you or your agency out of the loop on what is going on with the well. I am used to only sending in one form when a well is originally completed, plugged back or plug. Acid jobs on the initial completion are recorded only on the final disposition sheet and all well jobs do not require any prior notification to any governmental agency, unless you are within a wildlife reserve, or city limits. So I am truly sorry. I can guarantee you that if you do have the time to come up during any completions I am doing you are most certainly welcome. In fact I am sure that if I am on the back end of a rig, I will have a spare set of gloves for you to jump right in along side and grab a wrench.

Thanks again and I am looking forward to seeing you again.

Sincerely,

R. W. Rohlfing

Rules and Forms

Subject: Rules and Forms
Date: Mon, 13 Aug 2001 15:51:12 -0700
From: Steve Rauzi <Rauzi_Steve@pop.state.az.us>
Organization: Arizona Geological Survey
To: Robert Rohlfig <Fogresourc@aol.com>

Robert,

I have attached our Form 25, Sundry Report, to report your activities (acid jobs, plug backs, perforating, testing, and etc.) on the Berry well near Meteor Crater.

The pertinent rules would be R12-7-125(D), re-entering a temp abandoned well, R12-7-117, acid jobs, etc., and R12-7-127, plugbacks and plugging. The rules may be viewed at:
http://www.sosaz.com/public_services/Table_of_Contents.htm
Just scroll down to Title 12 and click on Chapter 7.

I look forward to receiving a summary of your work so far.

Steven L. Rauzi
Oil and Gas Administrator

<input type="checkbox"/> Form25.pdf	Name: Form25.pdf Type: Portable Document Format (application/pdf) Encoding: base64
-------------------------------------	---

Robert Rohlfig called 8-13-01

Was acidized the lowest zone = acid wash

Nothing - no fluid over zone

Will submit a Sundry

ie Doneti and Henryetta; 16 4 great-grand-Clydia King of other, Charles war and a host shews. es will be held ursday, Feb. 8 pel with Rev. ciating. Burial lawn Cemetery of the Shurden

ill be David / Sills, Tommy iderson, Steve y Henderson.

WILLIAMS

Williams, 50, e resident, died a Norman hos- rned in December ulgee to R. C. (Pete) Williams. s an assembly- ral Motors in or a number of eceded in death d four sisters. ude four broth- liams and Cor- both of Okmul- Williams, and s, both of Tulsa; na Lee Manning ivia Williams of

Feb. 8 from 12 noon until 6 p.m., followed by cremation under direction of the Hou of Winn Funeral Home.

A memorial service will be conducted Saturday, Feb. 10 at 11 a.m., in the Precious Memo- ries Chapel.

Dorothy Mae Tate

Dorothy Mae Tate, formerly of Morris, passed away Monday, February 5, 2001 at the Hopewell Hospice Center in Portland, Ore., at the age of 80. She was born in Okmulgee on April 24, 1920. She graduated from Hoffman High School.

She worked at St. John Hospi- tal in the Newborn Nursery, and lived at Morris during part of her retirement years.

Dorothy was preceded in death by her husband, of 55 years, James Charles Tate and two grandsons.

Survivors include her daugh- ter and son-in-law, Elizabeth and Ken Ross, of Portland, and a son and daughter-in-law, David and Anita Tate, of Jenks, four grandchildren, twelve great grandchildren, and two brothers, Joe Howard of Oklahoma City and Bill Duncan of Seattle, WA.

Funeral services will be held 10:30 A.M. Monday, February 12, 2001 at the First Christian

gee Cemetery. Memorial contributions may be made to the Hopewell Hos-

tion of the McClendon Funeral Home of Morris.



GUS LENARD BERRY

Gus Lenard Berry, 92, veteran oil and gas producer died February 5, 2001 at his Okmulgee home. He is survived by his daughters Nadine Berry and Johnnie Belle Berry and his special friend Leota Earnest. He is also survived by his grandchil- dren - Brett W. Garland and his wife Diana, McKinney, Texas; Michelle Johnston and husband Curt, Sapulpa, David Harman and Dawn Sawtelle, Okmulgee, four great grandchildren Dallas John- ston of Sapulpa, Riley Harman of Okmulgee and M. Egerton Sawtelle of Okmulgee and Sydney Johnston of Sapulpa, two sisters Ura Lethal Johnson of Okmulgee and Roma June Dawson of Vir- ginia. He was preceded in death by his wife Otha Jane Berry, his broth- ers Art and Lee Berry and his par- ents John and Elsie Musser Berry.

"Gusher" Gus Berry, as he came affectionately to be known among his friends and colleagues was born January 17, 1909 in Stroud, Okla- homa and began his career at age 16 as a "hand" on a pipe connec- tions gang in the Stroud oil fields. A half-century later, the University of West Virginia conferred Honorary Membership to Gus Berry in the American Society of Petroleum Engineers in recognition of his cooperation with the University while he was developing and pro- ducing several previously undis- covered petroleum reserves in that State. But earlier in his varied career, Gus had launched into other enterprises as well to "make a livin"

as he described his efforts. The infamous Bonnie and Clyde were brief "finance" clients, obtaining a cash loan for gasoline from Gus and securing the loan with a still never redeemed pocket knife and watch that Gus passed on to his grandchildren. Oklahoma's favorite son Will Rogers, an early admirer of a younger man's endurance and tolerance for pain sponsored ama- teur boxer Gus Berry for a time. Gus alleged that he was never a great fighter, just that he had more "wind" than his opponents and out- lasted them. In other career moves, Gus Berry became an oil field fire fighter, hauled fruit, and delivered ice. In the late 1940's, Gus owned and operated the orange soft-drink Whistle Bottling Company in Okmulgee, whose then well known advertising slogan "If you're thirsty - just whistle" was created inadver- tently by his daughter Johnnie Belle. In the early 1950's when Gus was generally credited with open- ing up the Edna Oil Field west of Beggs, he established Atlasta Drilling Company, whose name reflected directly the owner's long- term efforts to become an independ- ent oil producer. Successful, Gus operated his business in Ohio, West Virginia, Tennessee, Oklahoma, Texas and Arizona, drilling a still to be completed well in Arizona's well-known Great Meteor Crater in 2000. Among Gus's many investor- partners in his oil ventures have been actress Gretta Garbo, actor Dale Robertson, Country and West- ern singer Charlie Pride, the flam- boyant Liberace and cosmetics entrepreneur Mary Kay Ash.

Funeral services will be at 2 PM Thursday, February 8, 2001 at the First Baptist Church in Okmulgee. Dr. Dennis Taylor will officiate. Burial will be in the Okmulgee Cemetery under the direction of the McClendon Funeral Home. Visita- tion will be at the funeral home from 12-8 PM Wednesday. The family requests that Memorials be made to St. John's Hospice, Tulsa, Oklahoma in Gus's name.

(Paid Obituary)

EVENTS

Tennis Booster Club

Tennis Booster Club will meet Thursday, Feb. 8 at 6 pm., at

Community Chamber

Community Chamber of Commerce will meet Feb. 8 at 6p.m., at Market, 1303 North Wood Drive.

NARFE Meeting

Association of Retired Federal Employees (NARFE) OK-OK will meet at the Colonia Pancake House in Henryetta at 11 a.m. on Friday 8th. Okemah resident Ron Meadows, Superintendent of will be the guest speaker. All active and retired Federal employees are welcome to attend. For further information call 623-

OU Okmulgee Alumni Assoc. Board of Directors

OU Alumni Association Board of Directors will meet on Satur- day at 11 a.m. at Kirby's Cafe.

NAACP Training Session

Training Session will be held Saturday, February 10 from 10 a.m. to 12 p.m. at the church. Present will be Miller Henderson, Jack Henderson and Gene Stipe of McAlester. This is in honor of Black History Month celebration.

Mary Lou Finley Tribute

The Morning Music Club is having a special part of their mid- year tribute to Mary Lou Finley. As many of her former students are asked to come sing in a chorus on the program which will be at the Church Okmulgee, February 18th, at 2:30 PM Sunday after- noon. The rehearsal will be Saturday afternoon about 2 PM at the church. If you were a chorus or ensemble member at Okmulgee High School and can be a participant in this event is asked to call one of the following: Cordia Sharp 756-4357, Bernice Bruch 756-1715 or Judy

LAWSUITS FILED PROTECT YOUR RIGHTS

Okmulgee Daily Times
Feb 7, 2001

Re: Gus Berry Obituary

Subject: Re: Gus Berry Obituary
Date: Tue, 17 Apr 2001 14:21:56 -0700
From: Steve Rauzi <Rauzi_Steve@pop.state.az.us>
To: Okmulgee Library <finchr@ocevnet.org>

Thank you!

Okmulgee Library wrote:

> The Obit you requested was in the Feb 7 edition of the Okmulgee Daily Times.
> It's in the mail.
>
> Robert Finch
> ----- Original Message -----
> From: "Steve Rauzi" <Rauzi_Steve@pop.state.az.us>
> To: "Robert Finch" <finchr@ocevnet.org>
> Sent: Tuesday, April 17, 2001 11:43 AM
> Subject: Gus Berry Obituary
>
>> Dear Robert,
>>
>> As I explained when I called this morning, I am trying to get a copy of
>> Gus Berry's obituary. Gus lived in Okmulgee and I learned of his death
>> just yesterday. The information I have is that Gus died January 11 or
>> early February. Gus called me for the last time on December 20, 2000.
>>
>> I would appreciate any assistance you may provide.
>>
>> Thank you,
>>
>> Steve Rauzi
>> 416 W. Congress #100
>> Tucson AZ 85701
>> (520) 770-3500
>>
>>
>>

11-2-00

Robert Nicholson

Ret. rated well Sunday - lowest zone w/ Jet West
Hole full of KCl wtr so no reaction @ surface.

Couldn't find a well service rig

Back in Oklahoma looking for a rig to buy.

Asked about company planning to drill @ Gray Mtn.

= Maralo out of Midland

PAGE

DWIGHTS PLUS DRILLING WIP
ROCKY MOUNTAIN REGION
Section II - 01/21/2000

PAGE 3

DRILLING PROGRESS

INITIAL CLASS: WF=NEW FIELD WILDCAT; WD=DEEPER POOL WILDCAT; WS=SHALLOWER POOL WILDCAT; WP=NEW POOL WILDCAT;
WO=WILDCAT OUTPOST; D=DEVELOPMENT; X=RE-ENTRY; R=RE-DRILL
LDIR - LAST DATE INFORMATION REPORTED OR CONFIRMED

ARIZONA / NEVADA

APACHE COUNTY

RIDGEWAY ARIZONA OIL COMPANY
9-21 RIDGEWAY STATE
API 02-001-20309

21-9N-31E
SW NE
1980 FNL 1980 FEL SEC

WILDCAT; PERMIT: 897 2300 FORT APACHE (PMT APP'D 02/28/1997
(FR:03/03/1997 FM KMS) LEASE TYPE:STATE; EL: 7211 KB 7198 GR
LOCATION DATA: 10 1/2 MI E-NE SPRINGVILLE, AZ 17 MI SE
UNNAMED FLD(FORT APACHE)CO2 DISC NE 3-11N-29E: VERTICAL;

WF

CONTR: AZTEC WELL SERVICING, RIG # 124; SPUD:03/08/1997 CSG: 4 1/2 IN @ 2680; RAN SURF CSG DRLG COMMENTS: AZTECWS #157
COMPLETED.; DST # 001(GRANITE WASH) 2600; ISIP 680, REC CO2 GTS(AMT NOT RPTD). 2686 TD, (GRANITE WASH) (TD REACHED:03/16/1997) PROD
TEST(S): # 001 PERF (GRANITE WASH) ; GAS: 572 MCFD FTP 95; # 002 PERF (GRANITE WASH) ; GAS: 997 MCFD FTP 100; 2686 DTD2686 TD, SI-WOE
(LDIR:01/18/2000)

P/N 886

COCONINO COUNTY

BERRY GUS
26-1 STATE
API 02-005-20033-0001

26-19N-13E
NE NW NE
467 FNL 3500 FWL SEC

WILDCAT; 3500 PRE CAMBRIAN (FR:12/16/1999 FARM KMS) LEASE
TYPE:STATE; OPER ADD: 912 S FRANKLIN DR, VINITA, OK 74301,
(405)226-2323 EL: 5262 KB 5250 GR LOCATION DATA: 18 MI W
WINSLOW, AZ 96 MI SSW OF PINTA DOME FLD (COCONINO 20N-26E);
VERTICAL; OLD INFO : 02-005-20033 FORMERLY TOWNSEND COMPANY
26-1 STATE PERMIT 886; EL: 5250 GR. SPUD:05/19/1995 CSG: 8 5/8 IN @ 500;
LOG TOPS: PENNSYLVANIAN 2910 OTD 2960 COMP:06/15/1995 DRY &
ABANDONED

WFD

CONTR: KEY ENERGY SERVICES INC, RIG # 26; SPUD:10/15/1999 CSG: 4 1/2 IN @ 3900; 3900 TD, (PRE CAMBRIAN) (TD REACHED:10/21/1999) 3900
DTD3900 TD, WOCT (LDIR:01/18/2000)

**P/DWIGHTS PLUS DRILLING WIRE
ROCKY MOUNTAIN REGION
Section II - 12/17/1999**

P/N 886

PAGE 1

FIRST REPORT SUMMARY

INITIAL CLASS: WF=NEW FIELD WILDCAT; WD=DEEPER POOL WILDCAT; WS=SHALLOWER POOL WILDCAT; WP=NEW POOL WILDCAT;
WO=WILDCAT OUTPOST; D=DEVELOPMENT.
LDIR - LAST DATE INFORMATION REPORTED OR CONFIRMED

ARIZONA / NEVADA

COCONINO COUNTY

BERRY GUS ETAL
26-1 STATE
API 02-005-20033-0001

26-19N-13E
NE NW NE
467 FNL 3500 FWL SEC

WILDCAT; 3500 PRE CAMBRIAN (FR 12/16/1999 FARM) LEASE
TYPE:STATE; OPER ADD: OKI/AULGEE, OK 74447, (405)226-2323 EL: 5262
KB 5250 GR LOCATION DATA: 18 MI W WINSLOW, AZ 96 MI SSW OF
PINTA DOME FLD (COCONINO 20N-26E); VERTICAL OLD INFO :
02-005-20033 FORMERLY TOWNSEND COMPANY 26-1 STATE PERMIT 886;
EL: 5250 GR. SPUD 05/19/1995 CSG: 8 5/8 IN @ 500; LOG TOPS:
PENNSYLVANIAN 2910 OTD 2960 COMP 06/15/1995 DRY & ABANDONED

WFD

**CONTR: KEY ENERGY SERVICES INC, RIG # 26; SPUD: 10/15/1999 CSG: 4 1/2 IN @ 3900; 3900 TD, (PRE CAMBRIAN) (TD REACHED:10/21/1999) 3900
DTDDEEPEDED, WOCT (LDIR 12/16/1999)**

ORANGE COUNTY
FD 821
Page 8

Thursday, October 21, 1999

Munger Oilogram, Page 9

UPARUK RIVER

ARCO Alaska Inc. "Kuparuk River Unit" 1D-11
23-11N-10E UM, Fr NE cor 586'S 601'W(Surface)
19-11N-11E UM, Fr SE cor 2320'N 1394'W(est.BHL)
16c.115 9-5/8c.6814 50-029-22946 Directional
S-10/08/99(Pool Arctic Drlg #6) Map:AL-4
10572 Cmtd 9-5/8" csg at 6814'. Drilled to TD.
Running 7" csg.

ARCO Alaska Inc. "Kuparuk River Unit TABS" 2T-210
1-11N-8E UM, Fr SW cor 667'N 556'E(Surface)
2-11N-8E UM, Fr NE cor 1176'S 586'W(BHL) Map:AL-4
16c.107 7-5/8c.4397 5-1/2x3-1/2c.5337 50-103-20273
S-11/17/98(Boyon Drlg #19) Directional
5340 TVD3275 Completed waterflood well 12/3/98.

MILNE POINT

BP Expl (Alaska) Inc. "Milne Point Unit" C-12A
10-13N-10E UM, Fr SE cor 496'N 2027'W(Surface)
3-13N-10E UM, Fr NE cor 2739'S 2857'W(BHL)
3-13N-10E UM, Fr SE cor 461'N 2350'W(est.BHL)
9-5/8c.620cprx. 7c.10956 50-029-21373-01
(Alaska United #3) S-6/15/85 Rig rel-7/1/85
Directional Map:AL-4
10975 TVD7578 Issued permit #199-091 on 10/14/99
for redrill #1 as a service well.

BP Expl (Alaska) Inc. "Milne Point Unit" L-16A
8-13N-10E UM, Fr SE cor 3604'N 5148'W(Surface)
33-14N-10E UM, Fr SE cor 2479'N 1399'W(BHL)
33-14N-10E UM, Fr SE cor 561'N 4919'W(est.BHL-RD)
?c.???? 50-029-22566-01 Directional Map:AL-4
(Nabors Drlg #27E) S-6/4/95 Rig rel-6/24/95
Rsm-aprx.-10/18/99(Nordic Drlg #3)
15910 TVD7716 Resumed aprx.10/18/99 for redrill #1
as a service well.

PRUDHOE BAY

ARCO Alaska Inc. "Prudhoe Bay Unit" 02-27A Map:AL-4
36-11N-14E UM, Fr NW cor 390'S 818'E(Surface)
26-11N-14E UM, Fr SE cor 285'N 2377'W(BHL)
26-11N-14E UM, Fr SE cor 606'N 437'W(est.BHL-RD)
20c.112 10-3/4c.???? 50-029-21994-01 Directional
(Nabors Drlg #28E) S-12/18/89 Rig rel-1/13/90
Rsm-10/06/99(Nabors Drlg #7E)
10071 Fg10022 Resumed 10/6/99 for redrill #1.

ARCO Alaska Inc. "Prudhoe Bay Unit" 05-16B Map:AL-5
32-11N-15E UM, Fr SW cor 3367'N 38'E(Surface)
30-11N-15E UM, Fr NE cor 1273'S 1294'W(BHL)
30-11N-15E UM, Fr SE cor 4909'N 1092'W(est.BHL-RD)
30-11N-15E UM, Fr SE cor 4545'N 3260'W(est.BHL-RD2)
20c.89 13-3/8c.2723 9-5/8c.???? ?c.????
50-029-20262-02 Directional
(Rowan Drlg #35)S-9/1/77 Rig rel-10/2/77
(Unknown contractor) redrid in 1994
11702 RD???? Issued permit #199-100 on 10/13/99
for redrill #2.

ARCO Alaska Inc. "Prudhoe Bay Unit" 15-19A Map:AL-4
22-11N-14E UM, Fr NE cor 499'S 5184'W(Surface)
21-11N-14E UM, Fr NE cor 245'S 767'W(BHL)
16-11N-14E UM, Fr NE cor 3652'S 309'W(est.BHL-RD)
20c.110 10-3/4c.3513 7-5/8c.9153 50-029-21829-01
(Nabors Drlg #29E) S-6/29/88 Rig rel-7/17/88
Rsm-10/16/99(Nabors Drlg #3S) Directional
9180 TVD9039 Resumed 10/16/99 for redrill #1.

ARCO Alaska Inc. "Prudhoe Bay Unit" 15-25A Map:AL-4
22-11N-14E UM, Fr NE cor 1820'S 3863'W(Surface)
22-11N-14E UM, Fr NE cor 1441'S 1154'W(BHL)
22-11N-14E UM, Fr NE cor 3836'S 977'W(est.BHL-RD)
20c.110 10-3/4c.2521 7-5/8c.???? ?c.????
50-029-21842-01 Rsm-09/18/99(Nabors Drlg #3S)
(Nabors Drlg #28E) S-7/18/88 Rig rel-8/2/88
Directional
9760 RD???? Redrilled, no details. Released rig
10/16/99.

BP Expl (Alaska) Inc. "Prudhoe Bay Unit" J-17A
9-11N-13E UM, Fr NE cor 801'S 1806'W(Surface)
10-11N-13E UM, Fr NE cor 2594'S 2415'W(BHL)
10-11N-13E UM, Fr NE cor 1962'S 3247'E(est.BHL-RD)
13-3/8c.2685 9-5/8c.9963 7c.11040 50-029-20969-01
Rsm-10/18/99(Nordic Drlg #1) Directional
11040 Resumed 10/18/99 for redrill #1. Map:AL-4

BP Expl (Alaska) Inc. "Prudhoe Bay Unit" X-11A
7-10N-14E UM, Fr NE cor 498'S 588'W(Surface)
7-10N-14E UM, Fr NE cor 2371'S 381'W(BHL)
7-10N-14E UM, Fr NE cor 2710'S 290'W(est.BHL-RD)
13-3/8c.2662 9-5/8c.???? ?c.???? 50-029-20471-01
(PNJV #1) S-7/29/80 Rig rel-8/14/80 Directional

OTHER WESTERN STATES

SUNSHINE

*Gus Berry "State" 26-1 02-005-20033 elev:5250'GR
26-19N-13E, Fr NW cor 3500'E 467'S 3500'-est.td
8-5/8c.524 ?c.???? (State Lease #13-104416) (NFW)
(BJ Drlg Co) S-5/27/95 Rig rel-6/16/95 Map:AZ
(Key Energy)
3900' Deepened to TD at the top of the granite. Ran
csg.

DIAMOND BUTTE

*Premco Western, Inc. "Dutchman" 18-1 02-015-20030
18-37N-9W, Fr SE cor 1100'N 900'W elev:4925'GR
9-5/8c.375 (Federal Lease #AZA-26138) Map:AZ
6000'-est.td (NFW)
510 Drilling.

RYNDON

*Foreland Corp. "North Humboldt Federal" 1-2 Map:NV
2-36N-56E, Fr NE cor 450'S 450'W 27-007-05256
(Federal Lease N-58774) elev:5562'GR (NFW)
6500'-est.td
Issued permit #824 on 9/21/98.

TOMERA RANCH

*V.F. Neuhaus Properties "Ferdelford Canyon" 34-1
34-31N-52E, Fr NE cor 1100'S 4550'W 27-007-05251
(J.R. Bacon Drlg #5) S-8/28/93 Rig rel-9/10/93
(Federal Lease N-46547) elev:5461'GR Map:NV
???? Plan to drill. Conf. (NFW)

BLACKBURN-EAST

*Cleary Exploration LLC "Bruffey Federal" 1-14 (NFW)
14-27N-52E, Fr NE cor 330'S 990'W Map:NV
Filed application for federal permit to drill.

NEWARK CANYON

*Foreland Corp. "Pine Valley Federal" 42-16 Map:NV
16-29N-52E, Fr NE cor 1825'S 1200'W elev:5217'GR
(Federal Lease #NVN-61504) Conf. (NFW)
Hope to start before the end of the year.

PINE VALLEY

*Foreland Corp. "Hot Creek" 2-7 27-011-05294 Map:NV
7-28N-52E, Fr SE cor 350'W 970'N elev:5224'GR
7000'-est.td (NFW)
Issued permit #825 on 9/25/98.

HYDE WASH

*Falcon Energy LLC/Kriac Energy Inc. "Kriac" 3 (NFW)
18-8N-70E, Fr SE cor 5'W 316'N 27-017-05227 Map:NV
S-01/10/98(Sierra Drlg #3) elev:5712'GR
2800'-est.td
2800 Testing.

GHOST RANCH

**Makoil, Inc. "Ghost Ranch" 2-21X 27-023-05553
2-8N-57E, Fr NW cor 430'S 2310'E elev:4742'GR
9-5/8c.500 7c.4600aprx S-07/25/97(Makoil rig #286)
(Federal Lease N-42341) 5000'-est.td Map:NV
4600+ Evaluating. May deepen. (EXT)

LITTLE SMOKY VALLEY

*Alpine Inc. "Needle Springs Federal" 1-35 Map:NV
35-11N-52E, Fr SW cor 660'N 660'E (NFW)
(Federal Lease N-61782)
Filed application to drill.

KYLE SPRING

*Evans-Barton, Ltd "Kyle Spring" 11-14 27-027-05005
11-29N-36E, Fr SW cor 1033'N 769'E elev:4786.54'GR
4-1/2c.2500 S-11/06/96(Humboldt Drlg) Map:NV
(Federal lease N-58388) 2500'-est.td (NFW)
2622 Evaluating. May convert to disposal well.

*Evans-Barton, Ltd "Kyle Spring" 11-43 27-027-05008
11-29N-36E, Fr SE cor 1982'N 656'W elev:4412'GR
4-1/2c.738 S-09/23/98(Humboldt Drlg) 3000'-est.td
Federal lease N-58388 Map:NV (NFW)
865 Perforated an undisclosed interval. Testing.

MIST

Enerfin Res Northwest "Columbia County" 12-2-65
2-6N-5W, Fr NW cor 1088'E 1700'S 36-009-00346
2800'Clark&WilsonSd-est.td (Lindbleu Prospect)
S-10/08/99(Taylor Drlg) elev:900'KB Map:OR
???? RD???? Drilled. Redrilled, no details.
Plugged and ABANDONED 10/18/99.

Enerfin Res Northwest "Columbia County" 23-28-75
28-7N-5W, Fr SW cor 1613'E 1555'N 36-009-00347
2825'Clark&WilsonSd-est.td (Trigertons Prospect)

STATE OF ARIZONA

COCONINO COUNTY

*Gus Berry "State" 26-1 02-005-20033 elev:5250'GR
26-19N-13E, Fr NW cor 3500'E 467'S 3500'-est.td
8-5/8c.524 ?c.???? (State Lease #13-104416) (NFW)
(BJ Drlg Co) S-5/27/95 Rig rel-6/16/95 Map:AZ
(Key Energy)
3900' Deepened to TD at the top of the granite. Ran
csg.

MOHAVE COUNTY

*Premco Western, Inc. "Dutchman" 18-1 02-015-20030
18-37N-9W, Fr SE cor 1100'N 900'W elev:4925'GR
9-5/8c.375 (Federal Lease #AZA-26138) Map:AZ
6000'-est.td (NFW)
510 Drilling.

STATE OF NEVADA

ELKO COUNTY

*Foreland Corp. "North Humboldt Federal" 1-2 Map:NV
2-36N-56E, Fr NE cor 450'S 450'W 27-007-05256
(Federal Lease N-58774) elev:5562'GR (NFW)
6500'-est.td
Issued permit #824 on 9/21/98.

TOMERA RANCH

*V.F. Neuhaus Properties "Ferdelford Canyon" 34-1
34-31N-52E, Fr NE cor 1100'S 4550'W 27-007-05251
(J.R. Bacon Drlg #5) S-8/28/93 Rig rel-9/10/93
(Federal Lease N-46547) elev:5461'GR Map:NV
???? Plan to drill. Conf. (NFW)

EUREKA COUNTY

*Cleary Exploration LLC "Bruffey Federal" 1-14 (NFW)
14-27N-52E, Fr NE cor 330'S 990'W Map:NV
Filed application for federal permit to drill.

NEWARK CANYON

*Foreland Corp. "Pine Valley Federal" 42-16 Map:NV
16-29N-52E, Fr NE cor 1825'S 1200'W elev:5217'GR
(Federal Lease #NVN-61504) Conf. (NFW)
Hope to start before the end of the year.

PINE VALLEY

*Foreland Corp. "Hot Creek" 2-7 27-011-05294 Map:NV
7-28N-52E, Fr SE cor 350'W 970'N elev:5224'GR
7000'-est.td (NFW)
Issued permit #825 on 9/25/98.

LINCOLN COUNTY

*Falcon Energy LLC/Kriac Energy Inc. "Kriac" 3 (NFW)
18-8N-70E, Fr SE cor 5'W 316'N 27-017-05227 Map:NV
S-01/10/98(Sierra Drlg #3) elev:5712'GR
2800'-est.td
2800 Testing.

NYE COUNTY

**Makoil, Inc. "Ghost Ranch" 2-21X 27-023-05553
2-8N-57E, Fr NW cor 430'S 2310'E elev:4742'GR
9-5/8c.500 7c.4600aprx S-07/25/97(Makoil rig #286)
(Federal Lease N-42341) 5000'-est.td Map:NV
4600+ Evaluating. May deepen. (EXT)

LITTLE SMOKY VALLEY

*Alpine Inc. "Needle Springs Federal" 1-35 Map:NV
35-11N-52E, Fr SW cor 660'N 660'E (NFW)
(Federal Lease N-61782)
Filed application to drill.

PERSHING COUNTY

*Evans-Barton, Ltd "Kyle Spring" 11-14 27-027-05005
11-29N-36E, Fr SW cor 1033'N 769'E elev:4786.54'GR
4-1/2c.2500 S-11/06/96(Humboldt Drlg) Map:NV
(Federal lease N-58388) 2500'-est.td (NFW)
2622 Evaluating. May convert to disposal well.

*Evans-Barton, Ltd "Kyle Spring" 11-43 27-027-05008
11-29N-36E, Fr SE cor 1982'N 656'W elev:4412'GR
4-1/2c.738 S-09/23/98(Humboldt Drlg) 3000'-est.td
Federal lease N-58388 Map:NV (NFW)
865 Perforated an undisclosed interval. Testing.

STATE OF OREGON

COLUMBIA COUNTY

Enerfin Res Northwest "Columbia County" 12-2-65
2-6N-5W, Fr NW cor 1088'E 1700'S 36-009-00346
2800'Clark&WilsonSd-est.td (Lindbleu Prospect)
S-10/08/99(Taylor Drlg) elev:900'KB Map:OR
???? RD???? Drilled. Redrilled, no details.
Plugged and ABANDONED 10/18/99.

Enerfin Res Northwest "Columbia County" 23-28-75
28-7N-5W, Fr SW cor 1613'E 1555'N 36-009-00347
2825'Clark&WilsonSd-est.td (Trigertons Prospect)

ARIZONA GEOLOGICAL
SURVEY

416 W. CONGRESS, SUITE 100, TUCSON, AZ 85701

FAX

Date: 10-18-99

Number of pages including cover sheet: 4

To: Eat1 Berry

Rm 104

Phone: 289-4638

Fax phone: 289-5514

CC:

From:

Arizona Geological Survey

416 W. Congress, Suite 100

Tucson, AZ 85701

Phone: (520) 770-3500

Fax phone: (520) 770-3505

REMARKS: Urgent For your review Reply ASAP Please comment

Walker Creek Field

10-15-99

STEVE,

DANNY STIVERS CALLED ON FRIDAY.
THEY GOT STUCK IN THE HOLE AND
WANTED ALL THE LOGS FAXED TO THEM
ASAP. I FIGURED THAT WAS OK,
CHECKED WITH LDF and DID IT -
HERE IS THE FILE AND COPIES OF
WHAT I FAXED

Paul V.

Thursday, October 7, 1999

Munger Oilgram, Page 9

BP Expl (Alaska) Inc. "Prudhoe Bay Unit" J-17A
9-11N-13E UM, Fr NE cor 801'S 1806'W(Surface)
10-11N-13E UM, Fr NE cor 2594'S 2415'W(BHL)
10-11N-13E UM, Fr NW cor 1362'S 3247'E(est.BHL-RD)
13-3/8c.2685 9-5/8c.9963 7c.11040 50-029-20969-01
Directional Map:AL-4
11040 Issued permit #99-092 on 9/29/99 for redrill #1.

BP Expl (Alaska) Inc. "Prudhoe Bay Unit" W-26A
21-11N-12E UM, Fr NE cor 945'S 1446'W(Surface)
17-11N-12E UM, Fr NE cor 506'S 249'W(BHL)
17-11N-12E UM, Fr SE cor 4672'N 579'W(est.BHL-RD)
20c.120 13-3/8c.3021 9-5/8W.???? 50-029-21964-01
(Alaska United #3) S-lam, 7/30/89 Rig rel-8/25/89
Rsm-09/09/99(Nabors Drlg #9ES) Directional
12030 Pg11952 Resumed 9/9/99 for redrill #1.
Map:AL-4

OTHER WESTERN STATES

SUNSHINE

*Gus Berry "State" 26-1 02-005-20033 elev:5250'GR
26-19N-13E, Fr NW cor 3500'E 467'S 3500'-est.td
8-5/8c.524 (BJ Drlg Co) S-5/27/95 Rig rel-6/16/95
(State Lease #13-104416) (Key Energy) Map:AZ
2950 Drl'd out cement plug 1000-1300'. Cleaning out
to bottom. Will deepen to 3500' into the Devonian.

DIAMOND BUTTE

*Premco Western, Inc. "Dutchman" 18-1 02-015-20030
18-37N-9W, Fr SE cor 1100'N 900'W elev:4925'GR
9-5/8c.375 (Federal Lease #AZA-26138) Map:AZ
6000'-est.td (NFW)
470+ Drilling in Toroweap formation.

RYNDON

*Foreland Corp. "North Humboldt Federal" 1-2 Map:NV
2-36N-56E, Fr NE cor 450'S 450'W 27-007-05256
(Federal Lease N-58774) elev:5562'GR (NFW)
6500'-est.td
Issued permit #824 on 9/21/98.

TOMERA RANCH

*V.F. Neuhaus Properties "Ferdelford Canyon" 34-1
34-31N-52E, Fr NE cor 1100'S 4550'W 27-007-05251
(J.R. Bacon Drlg #5) S-8/28/93 Rig rel-9/10/93
(Federal Lease N-46547) elev:5461'GR Map:NV
???? Plan to drill. Conf. (NFW)

BLACKBURN-EAST

*Cleary Exploration LLC "Bruffey Federal" 1-14 (NFW)
14-27N-52E, Fr NE cor 330'S 990'W Map:NV
Filed application for federal permit to drill.

NEWARK CANYON

*Foreland Corp. "Pine Valley Federal" 42-16 Map:NV
16-29N-52E, Fr NE cor 1825'S 1200'W elev:5217'GR
(Federal Lease #NVN-61504) Conf. (NFW)
Hope to start before the end of the year.

PINE VALLEY

*Foreland Corp. "Hot Creek" 2-7 27-011-05294 Map:NV
7-28N-52E, Fr SE cor 350'W 970'N elev:5224'GR
7000'-est.td (NFW)
Issued permit #825 on 9/25/98.

HYDE WASH

*Falcon Energy LLC/Kriac Energy Inc. "Kriac" 3 (NFW)
18-8N-70E, Fr SE cor 5'W 316'N 27-017-05227 Map:NV
S-01/10/98(Sierra Drlg #3) elev:5712'GR
2800'-est.td
2800 Testing.

GHOST RANCH

*Makoil, Inc. "Ghost Ranch" 2-21X 27-023-05553
2-8N-57E, Fr NW cor 430'S 2310'E elev:4742'GR
9-5/8c.500 7c.460Caprx S-07/25/97(Makoil rig #286)
(Federal Lease N-42341) 5000'-est.td Map:NV
4600+ Evaluating. May deepen. (EXT)

LITTLE SMOKY VALLEY

*Alpine Inc. "Needle Springs Federal" 1-35 Map:NV
35-11N-52E, Fr SW cor 660'N 660'E (NFW)
(Federal Lease N-61782)
Filed application to drill.

TRAP SPRING

Makoil, Inc. "Trap Spring" 27-32X 27-023-05555
27-9N-56E, Fr NE cor 2250'S 1700'W elev:4749'GR
S-09/07/99(Company Rig #286) 5000'-est.td Map:NV
(Federal Lease #N-7381)
4062 Abandoning

KYLE SPRING

*Evans-Barton, Ltd "Kyle Spring" 11-14 27-027-05005
11-29N-36E, Fr SW cor 1033'N 769'E elev:4786.54'GR
4-1/2c.2500 S-11/06/96(Humboldt Drlg) Map:NV
(Federal lease N-58388) 2500'-est.td (NFW)
2622 Evaluating. May convert to disposal well.

*Evans-Barton, Ltd "Kyle Spring" 11-43 27-027-05008
11-29N-36E, Fr SE cor 1982'N 656'W elev:4412'GR
4-1/2c.738 S-09/23/98(Humboldt Drlg) 3000'-est.td
Federal lease N-58388 Map:NV (NFW)
865 Perforated an undisclosed interval. Testing.

MIST

Enerfin Res Northwest "Columbia County" 12-2-65
2-6N-5W, Fr NW cor 1088'E 1700'S 36-009-00346
2800'Clark&WilsonSd-est.td (Lindbleu Prospect)
elev:900'KB Map:OR
Applied for permit #527.

Enerfin Res Northwest "Columbia County" 23-28-75
28-7N-5W, Fr SW cor 1613'E 1555'N 36-009-00347
2825'Clark&WilsonSd-est.td (Triceratops Prospect)
elev:965'KB Map:OR
Applied for permit #528.

Munger Oilgram Resume

COMPLETIONS

SACRAMENTO VALLEY STATE OF CALIFORNIA
MALTON-BLACK BUTTE TEHAMA COUNTY

*Edward E. Towne, Jr. "Johnson" 35-3 04-103-20250
35-23N-4W MD, Fr SW cor 2209'N 237'E elev:295'KB
8-5/8c.419 7c.???? S-09/22/99(Paul Graham Drlg #4)
(Irani Engineering) Map:3 Status:GAS-10/04/99
???? Cmtd 8-5/8" csg at 419'. Drilled, "no dope"
hole to TD. Ran csg to an undisclosed depth.
Released rig 9/25/99. Completed gas well 10/4/99.

SAN JOAQUIN VALLEY

BELRIDGE-SOUTH KERN COUNTY

Aera Energy LLC "Marina" 3287-11 04-030-09940
11-29S-21E MD, Fr SE 2629'N 2489'W(Surface)
11-29S-21E MD, Fr SE cor 2805'N 2516'W(BHL)
7c.990 5-1/2Ld.973-1224 elev:592'XB Directional
S-02/23/98(Unknown contractor) Map:75-11
1340 RD1224 Drilled 8-3/4" hole to 990'. Cmtd 7"

**Aera Energy LLC "Marina" 387D1-11 04-030-11643
11-29S-21E MD, Fr SE cor 2136'N 2459'W(Surface)
11-29S-21E MD, Fr SE cor 3853'N 4162'W(BHL)
12c.80 7c.1473 4-1/2Ld.1439-3157 elev:592'KB
S-08/28/98(Unknown contractor) Map:75-11
954'est.TVD; 3261'-est.td Int:within 1473-3157'
3157 Drilled 9-7/8" hole to 1473'. Cmtd 7" csg at
1473'. Drl'd 6-1/4" hole to TD. Ran Formation log
600-3157'. Ran 4-1/2" lnr 1439-3157' with slots
within 1462-3157'. Gravel packed. Released rig
8/31/98. Completed on pump 9/23/98 in the Tulare.

**Aera Energy LLC "Marina" 387D4-11 04-030-11641
11-29S-21E MD, Fr SE cor 2035'N 2557'W(Surface)
11-29S-21E MD, Fr SE cor 2561'N 3005'W(BHL)
12c.80 7c.1563 4-1/2Ld.1537-3211 elev:592'KB
S-08/21/98(Unknown contractor) Map:75-11
1022'est.TVD; 3198'-est.td Int:1563-3210'



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

September 27, 1999

Mr. Gus Berry
P. O. Box 730
Okmulgee OK 74447

Re: Re-entry of Townsend #26-1 State, Permit #886

Dear Mr. Berry:

An approved copy of your application to re-enter the referenced well, Permit #886; cash bond receipt #3107; and filing fee receipt #3108 are enclosed for your file.

This permit is issued on the condition that you comply with all applicable rules and keep this office advised of the status of drilling and testing operations per the attached "Progress Reports." Progress reports may be submitted on the enclosed "Sundry Notices." Samples are required on all new formation drilled.

All submitted information will be held confidential.

Sincerely,

Steven L. Rauzi
Oil & Gas Program Administrator

Enclosures



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

September 3, 1998

Mr. Gus Berry
P.O. Box 730
Okmulgee, OK 7447

Dear Gus:

I am sending the following forms for permitting and drilling an oil well in Arizona:

- | | |
|----------|---|
| Form 1) | Organization Report [see A.A.C. R12-7-194] |
| Form 2) | Performance Bond (or cash alternative, see below). [see A.A.C. R12-7-103] |
| Form 3) | Application for Permit to Drill or Reenter [see A.A.C. R12-7-104] |
| Form 25) | Sundry Report. |

Submit Forms 1, 2 (or cash alternative), 3 (include drilling prognosis), and a \$25 application fee to my attention at the letterhead address. A Permit to Drill will be issued on approval. Use Form 25, Sundry Notice and Report on Wells, to report all pertinent drilling, testing, and wellsite activity.

The amount of performance bond is \$10,000 per well. The performance bond may be in the form of surety, cash (cashiers check), or a certificate of deposit payable to **Arizona Oil and Gas Conservation Commission**. CD's must be automatically renewable, drawn on a federally insured bank physically doing business in Arizona, and sent to this office with the enclosed assignment form properly filled out. Irrevocable letters of credit are not accepted.

The list of Forms above include references to the applicable rule. I have enclosed a copy of the applicable rules for your convenience.

Please call if you have any questions.

Sincerely,

Steven L. Rauzi
Oil & Gas Program Administrator

Enclosures

6-12-96 Gordon LeBlanc called:

Have reached agreement to re-enter Townsend Well. Agreements still being worked out & hope to submit paperwork & move onto hole to deepen 650' or so after drilling the NMAAL 15-1 well (894).

1-21-98 Mail copy of logs, Completion Sheet, history to R.P. Slayton



Fife Symington
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

October 13, 1995

Mr. Charles A. Cantwell
Water Rights Management Section
State Land Department
1616 West Adams Street, 4th Floor
Phoenix, Arizona 85007

Dear Charles:

A copy of the material on the Townsend Company well that we talked about yesterday is enclosed. This material includes the (1) water-well acceptance by Bar-T-Bar Ranch, (2) completion report, (3) plugging record, and (4) application to plug and abandon.

Let me know if I may be of further assistance.

Sincerely,

Steven L. Rauzi
Oil and Gas Program Administrator

Enclosures

c Bar-T-Bar Ranch, Winslow



Fife Symington
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

October 13, 1995

Mr. Richard Herther
Department of Water Resources
2810 South 24th Street
Phoenix, Arizona 85034

Dear Rick:

This letter is to advise you of the transfer of the Townsend Company 26-1 State to the Bar-T-Bar Ranch as a water well. A copy of the water-well acceptance form, completion report, plugging record, application to plug and abandon, and log for the well is enclosed for your file.

Please let me know if I may be of further assistance.

Sincerely,

Steven L. Rauzi
Oil and Gas Program Administrator

Enclosures



Fife Symington
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

July 28, 1995

Mr. Irv Townsend
The Townsend Company
4400 Buffalo Gap Road, Suite 4503
Abilene, Texas 79606

CERTIFIED MAIL

Re: Release of performance bond, Bank One C.D. #4002292
The Townsend Company #1-26 State, State Permit #886

Dear Mr. Townsend:

Our records indicate that The Townsend Company has:

- 1) Submitted all of the forms and information on the referenced well that are required by this office;
- 2) Plugged the well back to the base of the water-bearing Coconino sandstone and completed the well for conversion to a water well;
- 3) Restored the location to the satisfaction of Bar-T-Bar Ranch; and that
- 4) the Bar-T-Bar Ranch has assumed responsibility for the well as a water well, including its final plugging and abandonment.

As a result, the above referenced certificate of deposit is hereby released into your custody.

Thank you for your interest in the hydrocarbon potential of Arizona and please do not hesitate to contact me if I may be of further assistance.

Sincerely,

(SS)

Steven L. Rauzi
Oil & Gas Program Administrator

Enclosure

Bank One, Arizona, NA

**Certificate of Deposit
NON TRANSFERABLE**

4002292

BRANCH Downtown Tucson

BRANCH NO. 015 DATE 4/4/95

THIS CERTIFIES THAT THERE HAS BEEN DEPOSITED IN THIS BANK

BANK ONE ARIZONA, N.A. **1000000000**

PAY TO THE TOWNSEND CO
4400 BUFFALO GAP RD, STE 4503
ABILENE TX 79606

ACCOUNT NO.
8241-9103

\$ 10,000.00

(UPON SURRENDER OF THIS CERTIFICATE PROPERLY ENDORSED)

THIS CERTIFICATE MATURES IN 180 Days FROM ISSUE DATE ON October 1st 19 95 INTEREST IS TO BE PAID Monthly
AT THE RATE OF 5.25 % PER ANNUM ON AN ACTUAL NUMBER OF DAYS PER YEAR BASIS.

FIRST INTEREST PAYMENT DUE May 1, 1995

SINGLE MATURITY - INTEREST CEASES AT MATURITY

AUTOMATICALLY RENEWABLE - THE CERTIFICATE WILL AUTOMATICALLY RENEW EVERY 180 Days

UNLESS REDEEMED WITHIN 10 CALENDAR DAYS (ONE BUSINESS DAY FOR MATURITIES OF 31 DAYS OR LESS) AFTER ANY MATURITY. THE BANK RETAINS THE RIGHT TO REDEEM THIS CERTIFICATE OR CHANGE THE INTEREST RATE AND OTHER TERMS AS OF ANY MATURITY.

Crista M. Valencia
AUTHORIZED SIGNATURE

Z 020 475 578



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	<u>IRV Townsend</u>
Street and No.	<u>4400 Buffalo Gap Rd #4503</u>
P.O., State and ZIP Code	<u>Abilene TX 79606</u>
Postage	\$ <u>37</u>
Certified Fee	<u>110</u>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<u>110</u>
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$ <u>252</u>
Postmark for Date	<u>APR 4 1995</u>

PS Form 3800, March 1993



SENDER: 1. Complete items 1 and/or 2 for additional services. 2. Complete items 3, and 4a & b. 3. Print your name and address on the reverse of this form so that we can return this card to you. 4. Attach this form to the front of the mailpiece, or on the back if space does not permit. 5. Write "Return Receipt Requested" on the mailpiece below the article number. 6. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.
3. Article Addressed to: <u>IRV TOWNSEND</u> <u>4400 BUFFALO GAP RD</u> <u>STE 4503</u> <u>ABILENE TX 79606</u>	4a. Article Number <u>020 475 578</u>	4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
5. Signature (Addressee) <i>IRV Townsend</i>	6. Signature (Agent)	7. Date of Delivery <u>4-2-95</u>
8. Addressee's Address (Only if requester and fee is paid)		

**ASSIGNMENT TO ARIZONA STATE TREASURER
SECURITY IN LIEU OF CASH DEPOSIT FOR COMPLIANCE WITH
SECTION 35-155 ARIZONA REVISED STATUTES**

THE TOWNSEND CO.
 NAME 4400 BUFFALO GAP RD STE 4503 ABILENE
 STREET ADDRESS Taylor Texas (915)698-3134 CITY
 COUNTY STATE TELEPHONE NUMBER

hereinafter referred to as ASSIGNOR, does hereby assign and transfer to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, all right, title and interest of any kind whatsoever, owned or held by Assignor in the principal, but not in the interest hereinafter accruing after the date of this assignment in the insured account of ASSIGNOR so long as such funds remain on deposit in the
 Bank One Arizona, N.A. Downtown Tucson Office T015
 FINANCIAL INSTITUTION

whose address is 2 E. Congress Tucson Pima
 STREET ADDRESS CITY COUNTY

Arizona, as evidenced by an account in the amount of ***Ten Thousand and 00/100*** dollars (\$**10,000.00**) identified by account number 8241-9103 / 4002292 which account is insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. This assignment is given as security for compliance with ARS 27-501 to 539 and with the Rules of the Oil and Gas Conservation Commission.

Dated this 4th day of April, 1995, at Tucson Arizona.

IMPORTANT - SIGNATURE OF ASSIGNOR

This Assignment shall be signed by the Individual Himself

BY: THE TOWNSEND CO.
 NAME OF ASSIGNOR EXACTLY AS SHOWN ABOVE
[Signature]
 SIGNATURE OF ASSIGNOR

FIRST ENDORSEMENT - RECEIPT FOR NOTICE OF ASSIGNMENT

Receipt is hereby acknowledged to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, of written notice of the assignment to said Treasurer of the above-identified account. We have noted our records to show the interest of the Treasurer in said account as shown in and by the assignment above. We have retained a copy of this document. We hereby certify that we have not received any notice of lien, encumbrance, hold, claim or other obligation against the above-identified account prior to its assignment to the Treasurer. We further hereby waive any current and future right of set-off against such account. We agree to make payment as required by the Rules and Regulations of the Treasurer adopted in accordance with applicable laws and the law applicable to this institution.

Dated this 4th day of April, 1995, at Tucson Arizona

Bank One Arizona, N.A. Downtown Tucson Office #015
 NAME OF FINANCIAL INSTITUTION
 BY [Signature] Personal Banker
 SIGNATURE OF OFFICER OF FINANCIAL INSTITUTION TITLE

Subscribed and sworn before me this 4 day of April, 1995.
[Signature]
 NOTARY PUBLIC SIGNATURE

COMMISSION EXPIRES

SECOND ENDORSEMENT - RECEIPT FOR SECURITY AND DIRECTION TO PAY EARNINGS

Receipt is acknowledged of the assignment above and the account identified in the assignment above. The financial institution named in the assignment above is hereby authorized and directed to pay any earnings credited after the date of this assignment on the above-identified account of the above-named assignor.

Dated this _____ day of _____, 19____, at _____, Arizona.

ARIZONA STATE TREASURER
 Treasurer or Authorized Representative
 By: [Signature]
 (Prepare in duplicate. Please Type all Information)

Attach Original Assignment to Certificates of Deposit and File with State.

RECEIVED
 STATE TREASURER
 APR 6 2:26 PM '95

SECURITIES SAFEKEEPING
 1700 WEST WASHINGTON ST. - PHOENIX, ARIZONA 85007

DATE: 7-10-95

STATE AGENCY NO. _____

STATE AGENCY ARIZONA GEOLOGICAL SURVEY

State Treasurer's Use Only

COMPANY THE TOWNSEND CO.

4400 BUFFALO GAP RD, STE 4503

ARILENE TX 79606

DOMESTIC FOREIGN

DEPOSIT

C.D. NO.:

BANK:

MATURITY DATE:

INTEREST RATE: %

AMOUNT \$

C.D. ASSIGNMENT MUST BE ATTACHED UNLESS C.D. IS PAYABLE TO STATE TREASURER

RELEASE

C.D. NO.: 4002292

BANK: BANK ONE, ARIZONA, NA

MATURITY DATE: 10-1-95

INTEREST RATE: 5.25 %

AMOUNT \$10,000.00

STATE TREASURER VALIDATION NO. _____

RECEIVED THE ABOVE RELEASE		STATE AGENCY AUTHORIZATION	
BY <u>Steven L. Rainey</u>	7-10-95	BY <u>Steven L. Rainey</u>	Authorized Signature
Authorized Signature Date		STATE TREASURER AUTHORIZATION	
<u>OIL & GAS COMMISSION (AZGS)</u>		BY <u>Katherine Valentin</u>	Authorized Signature
Bank or Firm		BANK AUTHORIZATION	
FOR BANK USE ONLY		BY _____	Authorized Signature
Checked by _____	Verified by _____	STATE'S DEPOSITORY BANK	



Fife Symington
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

July 10, 1995

Ms. Katherine L. Valentin
State Treasurer's Office
1700 West Washington
Phoenix, Arizona 85007

Re: Release of *The Townsend Co.* performance bond, C.D. #4002292

Dear Katherine:

The referenced bond may now be released. Please forward it to my attention at our new address:

416 W. Congress, Suite 100
Tucson, AZ 85701

Thank you.

Sincerely,

Steven L. Rauzi
Oil & Gas Program Administrator

Enclosure

P.S. we are also served by the Tucson
Shuttle inter-office mail, *Spur*



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

July 5, 1995

Mr. Irv Townsend
The Townsend Company
4400 Buffalo Gap Road, Suite 4503
Abilene, Texas 79606

Re: The Townsend Company #1-26 State, State Permit #886

Dear Mr. Townsend:

This letter will acknowledge receipt of the S.P./E-Log from 10 ft to 2960 ft, the Gamma Ray-Neutron log from 480 ft to 2960 ft, and Rocky Mtn Geo-Engineering Corp mud log from 2450 ft to 2960 ft on the referenced well. I brought the cutting samples back with me on June 16 when I witnessed the setting of the cement plug for conversion to a water well. I have not yet received the water-well acceptance form.

Was a cuttings description and log kept from the base of the surface casing at 500 ft to the top of the Geo-Engineering log at 2450 ft? Mr. Lanshe has advised me that when he visited the well location at a drilling depth of about 1200 feet or so a geologist present. If this geologist kept a description, a copy of that should be submitted to this office as soon as possible.

Let me know if I may be of further assistance.

Sincerely,

A handwritten signature in cursive script that reads "Steven L. Rauzi".

Steven L. Rauzi
Oil & Gas Program Administrator



FIFE SYMINGTON
GOVERNOR

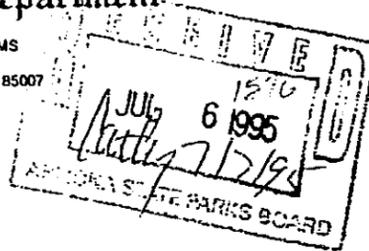
July 3, 1995

Arizona
State Land Department

1616 WEST ADAMS
PHOENIX, ARIZONA 85007



M.J. HASSELL
STATE LAND COMMISSIONER



Ms. Catherine B. Johnson
State Historic Preservation Office
1300 West Washington
Phoenix, Arizona 85007

RE: ASLD 13-54242
(Townsend Company)

See Second Page

Dear Ms. Johnson:

On June 27, 1994, the Arizona State Land Department (ASLD) issued the Townsend Company an oil and gas lease (13-54242) on 640 acres of State Trust land consisting of all of Section 26, T19N R13E. In response to a standard condition of such leases, Townsend hired an archaeological consultant to inspect a portion of the lease area to be disturbed by drilling an exploratory well and blading an access road to the well site. For your review, I have enclosed a copy of the resulting survey report, "A Cultural Resource Survey for a Proposed Oil Well near Meteor Crater, Coconino County, Arizona", that was prepared by SWCA in March 1995.

It is my understanding that Townsend first submitted this report to the Arizona Oil and Gas Conservation Commission in order to obtain a permit to drill the well. However, after I learned of this project from Mr. Barry Moody of ASLD's Minerals Section in May 1995, Mr. Steve Rauzi of the Commission advised me of his view that ASLD, rather than the Commission, should consult with your office. I agree, and offer the following comments:

1. No archaeological sites and only two isolated artifacts were found during 100 percent pedestrian coverage of the five acres affected by the work. Therefore, no further archaeological field work is needed for this well and access road.
2. ASLD records indicate that all of the surface of Section 26, T19N R13E, is State Trust land under a grazing lease (05-1339) to the Bar T Bar Ranch. Therefore, the statement in the Introduction that "...half of the proposed project area is on Arizona State Trust Lands" is incorrect because all of the surveyed area is Trust land. Similarly, under "Description of the Undertaking", the statement that "Access to the proposed well site is from an AT&T cinder-covered access road across land owned by the Bar T Bar Ranch, which has granted The Townsend Company permission to construct the access road to the well site" is also incorrect.

Ms. Catherine B. Johnson
July 3, 1995
Page 2

3. The Arizona Antiquities Act Permit under which the survey was performed is given on page 4 under "Survey Methods", but Arizona State Museum (ASM) Rules require that the permit be listed in the introduction.

By copy of this letter to Lynn A. Neal of SWCA, ASLD asks that the report be revised to correct the land ownership information and to list the permit in the introduction. The revision should be submitted in duplicate to ASM and ASLD.

I would appreciate any comments you may have on this matter pursuant to A.R.S. § 41-864.

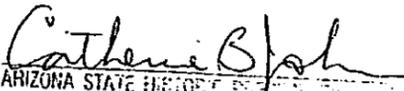
Sincerely,


Kenneth Rozen
Cultural Resources Manager

KR/ch

C: Barry Moody, ASLD Minerals
Lynn A. Neal, SWCA
Steve Rauzi, Oil and Gas Commission
Irvin Townsend

CONCUR


ARIZONA STATE HISTORIC PRESERVATION
ARIZONA STATE PARKS BOARD
per ARS 41-864 7/24/95

JUL 6 1995

STEVE -

I THINK WE HAVE COMPLIED
WITH THE ARIZ. RULES & REGULATIONS
FOR THE PLUGGING OF OUR ST.
26-1 - PLEASE, RELEASE OUR
CD SURETY BOND -

IT HAS BEEN A PLEASURE
WORKING WITH YOU ON THIS PROJECT.

SORRY WE WERE NOT
SUCCESSFUL!

IF YOU NEED MORE INFO
CALL OR WRITE

rcd 6-29-95

THANKS

JRU

NOTE - I MAILED FORM 26 TO
BAR-T-BAR BOB & JUDY PROSSER
RANCA P.O. Box 190
WINSLOW, AZ 86047
289-2619
Hay Lake Ranch. 477-2458



Fife Symington
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

MEMORANDUM TO FILE

DATE: June 19, 1995

FROM: Steven L. Rauzi *SLR*
Oil and Gas Program Administrator

SUBJECT: P&A for conversion to water well
The Townsend Co., 26-1 State, Permit #886
NE NW NE Sec. 26, T. 19 N., R. 13 E., Coconino County

I witnessed the final plugging of the referenced well on Friday, June 16, 1995. A cement plug was set from 1300 feet up to 1000 feet. Well logs indicated the top of the Supai formation at 1250 feet. Plug back total depth is 1000 feet.

A 1/4" plate was welded on top of the 8 5/8" casing with a 1" threaded plug to facilitate conversion to a water well. The well will be turned over to the Bar-T-Bar Ranch as a water well.



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

MEMORANDUM TO FILE

DATE: June 15, 1995

FROM: Steven L. Rauzi *SLR*
Oil and Gas Program Administrator

SUBJECT: APPLICATION TO P&A
The Townsend Co., 26-1 State, Permit #886
NE NW NE Sec. 26, T. 19 N., R. 13 E., Coconino County

Irv Townsend called today to discuss the plugging of this well. They were drilling at 2900 feet at the time of his call. The plan is to drill to 2980 feet, run logs tonight, and decide whether or not to abandon the hole.

If the decision is to abandon, the hole will be plugged back in a manner to facilitate its future use as a water well by the State Land Department. The hole will be capped at the surface in accordance with earlier discussions with the State Land Department.

The procedure for abandonment will be to plug the hole back to the base of the water-bearing Coconino Sandstone at 1100 feet. A 300-foot cement plug will be set from 1200 feet up to 900 feet. This will place 100 feet of cement above and below the base of the Coconino Sandstone, effectively sealing it off from the underlying Supai rocks.

This abandonment and plugging plan is, therefore, approved.

The Week in Review...Four Corners Area

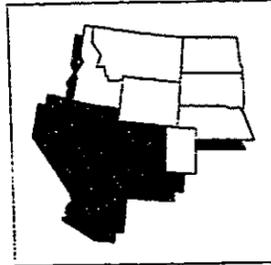
The May 22 oil and gas lease sale held by the Utah State Office of the BLM drew high bids totaling \$2,496,893.75 for 77 parcels covering 64,796.81 acres, an average of \$38.53 per acre. The sale's top per-acre bid of \$730 was made by LCM Ltd for a 277.52-acre lease covering lots 3 and 4, c/2 sw, n/2 se, and sw se 31-8s-18e, Uintah County. The eastern Uintah Basin lease is 14 miles west of Ouray and a mile west of Green River oil production in Eight Mile Flat North field. (PI 5/23/95)

Townsend Co moved in B.J. Drilling's Rig #1 to drill a remote wildcat in north-central Arizona about 12 miles west of Winslow. The 26-1 State, nw ne 26-19n-13e, Coconino County, is set up as a 2700-ft test to Devonian. It's about 80 miles west of Pinra Dome field, a helium-producing area in Apache County, and approximately 140 miles southwest of the nearest hydrocarbon production, in the northeastern corner of the state. (PI 5/18/95)

High Plains Petroleum is planning to drill a pair of shallow Mesaverde wildcats in adjacent non-producing townships within 15 miles northwest of Cabezon, northern New Mexico. The as-yet unpermitted ventures include an 1130-ft test in se nw 10-17n-5w, McKinley County. Two and a half miles to the east, High Plains has plans to drill a 1000-ft Mesaverde probe in nw nw 7-17n-4w, Sandoval County. The nearest production from Mesaverde is eight miles to the east-northeast, in South San Luis field. (PI 5/17/95)

The May 16 New Mexico state lease sale drew high bids totaling \$543,910.14 for 49 tracts covering 16,746.66 acres, an average of \$32.48 per acre. The sale's top per-acre bid of \$641.71 was made by Williams Production for a 9.35-acre San Juan Basin lease cover-

ing lot 5 of irregular section 2-31n-6w, Rio Arriba County. The tract is in the Basin-Fruitland coal gas area about five miles south-southwest of Rosa. Bonus bids totaling \$63,600 were received for 16 tracts covering 6,844.14 acres in the northern townships of New Mexico, an average of \$9.29 an acre. (PI 5/22/95)



Paco Production staked a wildcat in a non-producing southeastern Paradox Basin township about 20 miles west-southwest of Cortez, southwestern Colorado. The Montezuma County venture, the 41-17 Federal in ne ne 17-35n-19w, will be drilled to 6000 ft to evaluate the Ismay and Desert Creek members of Paradox. It's four miles east of Ismay production on the northern end of Flodine Park field. (PI 5/22/95)

Foreland Corp completed a remote wildcat in northern Nevada's non-producing Antelope Valley 20 miles west-southwest of Eureka as a dry hole. The 15-1 Hot Creek Wash, sw sw 15-18n-50e, Eureka County, was projected to reach total depth at 6000 ft and was drilled approximately 55 miles south-southwest of the nearest production in Eureka County's Blackburn field. That Pine Valley field produces from Indian Well, Chainman and Nevada. (PI 5/23/95)

CENEX Inc plugged and abandoned an exploratory test drilled in Nevada's Railroad Valley approximately 21 miles southwest of Currant. The 14-11 Federal, se sw 11-7n-56e, Nye County, was drilled half a mile north of CENEX's Sans Springs field opener, a 1993 Garrett Ranch (Tertiary) discovery. (PI 5/17/95)

U.S. Production Posts First Year-to-Year Gain Since 1991

DOMESTIC CRUDE oil production in April recorded its first year-to-year gain since 1991, according to the American Petroleum Institute's *Monthly Statistical Report*.

U.S. oil production averaged 6,565,000 bbls a day in April, up 0.3 percent from the April 1994 average of 6,544,000 bbls per day. The increase was attributed to new offshore production in the deep waters of the Gulf of Mexico and on the West Coast, along with capital projects to slow the decline in Alaska's fields. Even so, API noted, domestic crude oil production has declined by nearly a million bbls a day since 1991. Over

that period, output in the lower 48 states has decreased by about 11 percent, and Alaskan production has fallen by nearly 17 percent.

Lower 48 production in April averaged 5.05 million bbls daily, just slightly higher than year-ago levels and about the same as it has been over the last five months. Alaskan production averaged 1.51 million bbls daily, also slightly higher than April 1994 levels.

Despite the year-to-year gain, production in April was about one percent lower than the average for the first quarter. However, API said, domestic production is no longer declining at the year-to-year rate that it was

during the first six months of 1994, when monthly production fell at an average rate of 3.6 percent.

While the level of crude oil production has flattened out to nearly last year's levels, API said, natural gas liquids output has grown strongly. For the year to date, NGL production has increased by 120,000 bbls a day, to 1,776,000 bbls per day. The increase in NGL output is linked to an estimated 10-15 percent drop in natural gas prices, according to API.

Total domestic products supplied in April averaged 17,582,000 bbls a day, an increase of 0.9 percent compared to year-ago levels, due mostly to an increase of 2.6 percent in gasoline deliveries.

Imports of crude oil and petroleum products averaged 8,566,000 bbls daily in April, a drop of 3.7 percent from April 1994 levels. Product imports fell by 33 percent, to 1.33 million bbls a day, the lowest level since 1981. Crude oil imports were up 4.7 percent, to 7.2 million bbls daily.

The nation's refineries operated at 92.6 percent of operable capacity in April. Total inventories stood at 1,000,700,000 bbls at the end of last month, down 14 million bbls, or 1.3 percent, from the end of March.

Rig Moved in to Drill Remote Arizona Wildcat

ABILENE, TEXAS-BASED Townsend Co has moved in B.J. Drilling's Rig #1 to drill a remote wildcat in north-central Arizona about 12 miles west of Winslow.

The Holbrook Basin venture, the 26-1 State in nw ne 26-19n-13e, southeastern Coconino County, is set up as a 2700-ft test to Devonian (PI 4-12-95). The drillsite is about 80 miles west of Pinta Dome field, a helium-producing area in Apache County, and approximately 140 miles southwest of the nearest hydrocarbon production, in the northeastern corner of the state.

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Rocky Mountain Region Report (USPS 113-170). Price: \$1728 per year. "Northern Edition" Price: \$1464 per year. "Wyoming Edition" Price: \$1464 per year. "Four Corners-Intermountain Edition" Price: \$1068 per year. "Southeastern Edition" Price: \$1068 per year. "Newsletter Edition" Price: \$984 per year. Published by Petroleum Information Corporation, Monday through Friday except Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day and the day after, 1675 Broadway, Suite 700, Denver, CO 80202. Second class postage paid at Denver, CO 80202 and additional mailing offices. Postmaster: Send address changes to: Rocky Mountain Region Report, P.O. Box 2612, Denver, CO 80201.

5-18-95 Itv Townsend calls

- moved in back hoe + drilling rig
- Driller left @ 5:00 am w/ couple more loads
- Will set 10' conductor pipe
- Try to drill with air as much as possible
- Should spud hole tomorrow (Friday)

5-19-95

- Set 14 feet of 14" conductor Thursday
- Cmt'd with 10 SX on back side
- drilling out from conductor this morning



FIFE SYMINGTON
GOVERNOR

Arizona
State Land Department

1616 WEST ADAMS
PHOENIX, ARIZONA 85007



M.J. HASSELL
STATE LAND COMMISSIONER

May 12, 1995

Mr. Irv Townsend
The Townsend Co.
4400 Buffalo Gap Road
Suite 4503
Abilene, Texas 79606

Re: Access Road to Proposed Test Hole (No. 1 State)
Section 26 T19N-R13E (13-54242)

Dear Mr. Townsend:

This letter will serve as Departmental approval for the construction of a short access road to the above referenced well site. This approval for the construction of your access road is consistent with Section 1A and 1B of your oil and gas lease. We are in the process of acquiring a copy of the SWCA, Inc., archaeological report for our files.

The Department also has on file minutes of the March 17, 1995 Oil and Gas Conservation Commission Meeting. This meeting included the discussion regarding commission member Jim Lanshe's financial participation in the No. 1 State test hole.

Mr. Beryl Dulsky of the Attorney Generals Office sees no conflict in Mr. Lanshe's participation in the well with the terms of your oil and gas lease. The lease terms discuss the State's authority to cancel an oil and gas lease if a state employee is involved in acquiring the lease. Mr. Dulsky believes that since the Townsend Company is sole holder of the lease and Mr. Lanshe has discussed his participation in the well with the Oil and Gas Conservation Commission, the Department would have no grounds to cancel the lease.

Sincerely,

Barry Moody, Geologist
Minerals Section
Natural Resources Division

BM:mlt

cc: Steve Rauzi, Arizona Geological Survey

MAY 12 '95 11:19AM AZ. STATE LAND DEPT.

P.2



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

May 11, 1995

Mr. Barry Moody
State Land Department
1616 West Adams Street
Phoenix, Arizona 85007

Dear Barry:

A copy of the cultural resources survey for the Townsend Company 1-26 State well is enclosed. I'm sorry I didn't think to send you a copy earlier.

One way for Ken Rozen to learn more about the Oil and Gas Conservation Commission would be for him to come to its next meeting, which is scheduled for September 15, 1995.

Later.

Sincerely,

A handwritten signature in cursive script that reads "Steve".

Steven L. Rauzi
Oil and Gas Program Administrator

Enclosures

5-11-95

Itv Townsend calls:

- Start moving in on Saturday 5/13
- Hope to spud Tuesday 5/16
- Run 500' surface casing per program.
- letter from Land Commissioner to build road (Barry Moody to do)
- BJ Drilling out of Benson to spud + run surf. csg.
(T-4 Rig)
- Move in Gardner Denver 2000 after surface hole
(tease from Joe Salzar)

Barry Moody (ASLD) calls:

- Question about Lamshe involvement.
 - Fax him copy of 3/17/95 minutes (conflict of interest)
 - Fax him copy of fig 2 (map) of SWCA tpt.
 - give him Beryl Dulsky # (Conflict disclosure info)
- discuss rentals/royalties = either or, not both



Fife Symington
Governor

State of Arizona
Arizona Geological Survey

.845 North Park Avenue, #100
Tucson, Arizona 85719
(602) 882-4795
520



Larry D. Fellows
Director and State Geologist

FAX TRANSMITTAL COVER SHEET

DATE: 5-11-95

3 **PAGES**
(including cover sheet)

TO:

NAME: Batty Moody

COMPANY: ASLD

FAX NO: 542-4668 **CITY:** Phx

FROM:

Steve Rauzi

OUR FAX NO: (520) 628-5106

IF THERE ARE ANY QUESTIONS, RESPONSES, OR PROBLEMS WITH THIS TRANSMISSION, PLEASE CALL THE SENDER AT (602) 882-4795. THANK YOU.

MESSAGE: Two items ① Minutes stating Laushe's interest
② Map of location area by SWCA

NOTE Beryl Dalsky 542-1610 AG Rep. for Commission

☆

Mr. Lanshe stated for the record that he had purchased, individually, an interest in The Townsend Company venture on the same terms and conditions as any other investor, that no special consideration was involved, and that to avoid any possible conflict of interest, he would refrain from participating in any manner in this matter.

POLICY ON FEDERAL AND INDIAN LANDS

Mr. John Haas of the BLM passed out drafts of a Memorandum of Understanding between the BLM and the Commission. A discussion on the drafts and the issues of sharing data and conducting hearings followed.

Mr. Lanshe moved, seconded by Ms. Worthington with amendment:

TO APPROVE THE DRAFTS SUBJECT TO FINAL NEGOTIATIONS
BETWEEN THE BLM AND BIA AND LEGAL OPINION OF COUNSEL,
AND TO ADOPT THE POLICY SET FORTH IN THE DRAFTS WITH
AN AMENDMENT THAT THE BLM REIMBURSE THE COMMISSION
FOR HEARING COSTS

Motion carried unanimously.

POTENTIAL INCENTIVE PROGRAM

After discussing incentives in adjacent states and the draft report on oil and gas potential in Arizona, the Commission requested that a final report, including a full list of incentives in other states, be ready by the end of March in anticipation of a presentation to advise the Governor of the positive oil and gas potential in Arizona.

CALL TO THE PUBLIC

Mr. Haas informed the Commissioners that the BLM may forego royalties for a period of time as an incentive program. On the other hand, he reported that the Associate Director had raised the possibility of eliminating oil and gas leasing in Alaska, Arizona, Idaho, and Oregon.

ANNOUNCEMENTS

The next meeting was scheduled for 10:00 a.m. on September 15, 1995, at the Capitol Tower in Room 500.

ADJOURNMENT

Mrs. Worthington moved, seconded by Mr. Lanshe:

COPY OF MINUTES IN OUR "CONFLICT OF INTEREST FILE"
pursuant to A.R.S. 38-501 to 511

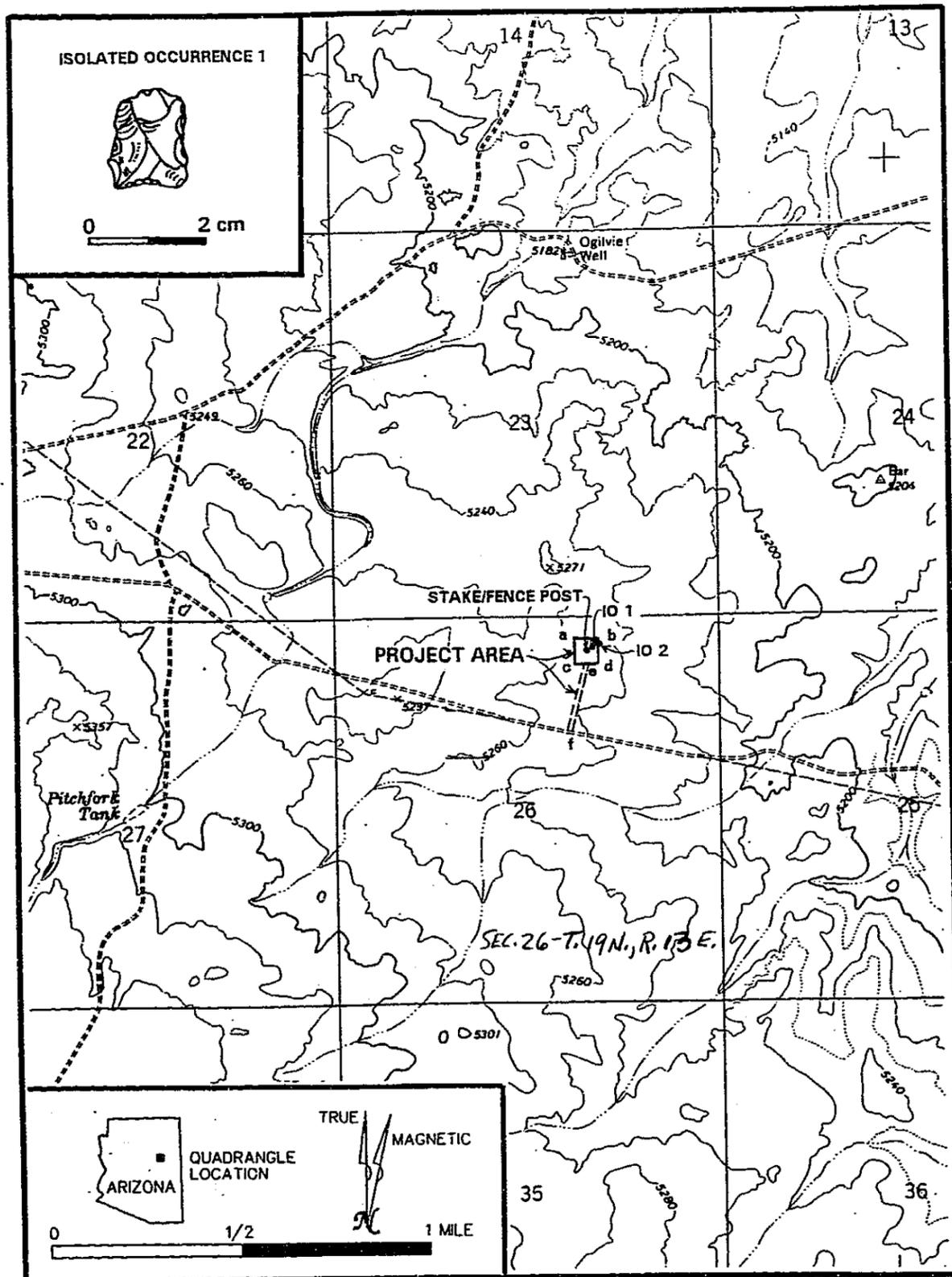


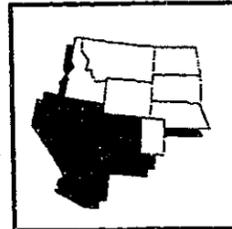
Figure 2. Location of survey area and Isolated Occurrences; inset: IO 1. Base map is Tucker Mesa SW, Arizona, USGS 7.5' quadrangle, 1968 (photorevised 1983).

PREPARED BY SWCA, INC., FLAGSTAFF.



ROCKY MOUNTAIN

REGION REPORT



FOUR CORNERS EDITION

Vol. 68, No. 70
4-12-95

file 886

More Success Reported in North Dakota Lodgepole Play

CONOCO INC has completed a stepout from the "Knopik Area" discovery about four miles west of Dickinson, North Dakota, flowing oil and gas from an undisclosed Lodgepole interval.

The 1-11 Ridl, nw se 11-139n-97w, Stark County, is producing oil at the new field's restricted rate of 2,500 bbls daily, with 1,350,000 cu ft of gas per day, according to Gresham Resources Inc, a Vancouver, British Columbia-based interest holder in the well. Gresham earlier reported that the 1-11 Ridl had been cased after encountering "excellent oil and gas shows" (PI 3-13 & 3-27-95).

It was drilled and cased by Denver independent Raymond T. Duncan to an approximate total depth of 10,000 ft. Duncan then turned the well over to Conoco for completion and production operations.

The new producer is approximately three quarters of a mile south-

east of Duncan's 1-11 Knopik discovery in nw nw 11-139n-97w, which has flowed at rates up to 2,700 bbls of oil with 1,550,000 cu ft of gas daily from Lodgepole at about 9800 ft (PI

1-27-95).

Nearly half a mile northwest of the discovery, Conoco reportedly has

(Please see Lodgepole, Page 2)

Remote Arizona Wildcat Targets Devonian

TOWNSEND CO, Abilene, Texas, has scheduled a remote wildcat in the non-producing Holbrook Basin of north-central Arizona about 12 miles west of Winslow.

The 26-1 State, nw ne 26-19n-13e, southeastern Coconino County, will be drilled by a B. J. Drilling rig to a depth of about 2700 ft in Devonian. Townsend anticipates spudding the venture later this month. Ground elevation is 5250 ft.

The remote wildcat is approximately 80 miles west of Pinta Dome

field, a helium-producing area in Apache County, and some 140 miles southwest of the nearest hydrocarbon production, at fields on Navajo Indian lands in northeastern Arizona.

The closest previous drilling is 14 miles to the east-northeast, at a 3797-ft dry hole drilled in 1976 by Webb Resources at the 1-25 Webb Resources in ne se 25-20n-15e, Navajo County. That well was neither cored nor drillstem tested. Log tops include Mississippian at 3551 ft, Devonian 3621, metamorphics 3697 and granite at 3767 ft.

NEWSLETTER
DAILY ACTIVITY REPORT
WESTERN COLORADO
UTAH
NEW MEXICO
ARIZONA & NEVADA

SECTION I
SECTION II
SECTION III
SECTION IV
SECTION V
SECTION VI



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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

April 6, 1995

Mr. Irv Townsend
The Townsend Co.
4400 Buffalo Gap Rd, Suite 4503
Abilene, Texas 79606

Re: The Townsend Co. #26-1 State
Sec. 26, T. 19 N., R. 13 E., Coconino County, Arizona
State Permit #886

Dear Mr. Townsend:

An approved copy of The Townsend Co.'s Application for Permit to Drill the referenced well, Permit to Drill #886, and filing fee receipt #3077 are enclosed. Samples are required pursuant to A.A.C. R12-7-121.

This Permit is issued on the condition that you conduct operations substantially as outlined in the drilling prognosis submitted with the application to drill and that you *notify me at least 48 hours* before you:

- 1) Commence drilling operations;
- 2) Run and cement surface casing; and
- 3) Nipple up and test the BOPE prior to drilling out of the surface casing.

I plan to witness the circulation of cement on the surface casing and the pressure test of the BOPE.

Form 4, *Well Completion Report*, and, should it be necessary, Form 9, *Application to Plug and Abandon*, and Form 10, *Plugging Record* are enclosed. Several Form 25, *Sundry Notices*, are enclosed to provide this office with weekly updates of wellsite drilling and testing activity.

The Oil and Gas Conservation Commission of the State of Arizona looks forward to a successful completion of this well.

Sincerely,

Steven L. Rauzi
Oil & Gas Program Administrator

Enclosures



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

April 6, 1995

Mr. James Keene, Manager
Coconino County
219 E. Cherry
Flagstaff, AZ 86001

Re: The Townsend Co. #26-1 State
Sec. 26, T. 19 N., R. 13 E.
State Permit #886

Dear Mr. Keene:

A copy of the approved application to drill the referenced well in Coconino County is enclosed for your information.

This information is provided to the County Manager of the County in which the well is located in accordance with a policy of the **Arizona Oil and Gas Commission** to keep local governments informed about exploration drilling efforts in Arizona. This well will be a test for oil potential.

Also, for your information, the Commission issues a permit to drill pursuant to A.R.S. § 27-516 after it has determined that the well is in compliance with the rules of the Commission (*Arizona Administrative Code* Title 12, Chapter 7) and that public health and safety, correlative rights, and subsurface resources will not be compromised.

Please do not hesitate to contact me if I may be of any assistance.

Sincerely,

Steven L. Rauzi
Oil and Gas Program Administrator

Enclosure

SWX INC. ENVIRONMENTAL CONSULTANTS
114 N. San Francisco Street, Suite 100 • Flagstaff, Arizona 86001
(602) 774-5500 • FAX (602) 779-2709

March 21, 1995

Mr. Steve Rauzi
State Geologist
ARIZONA GEOLOGICAL SURVEY
845 North Park Avenue, #100
Tucson, Arizona 85719



Dear Mr. Rauzi:

Enclosed is a copy of *A Cultural Resources Survey for a Proposed Oil Well on State Land near Meteor Crater, Coconino County, Arizona*. The well is called State 26-1 and is proposed by The Townsend Company of Abilene, Texas. Their lease/application number is 13-54242. There were no significant cultural resource findings; therefore, archaeological clearance is recommended for the proposed project. A copy of this report will also be sent to Mr. Irvin Townsend.

If you have any questions or require further information, do not hesitate to contact me at (520) 774-5500.

Sincerely,

Lynn A. Neal

Lynn A. Neal
Project Manager

enclosure (1)

a:\2351040.sr



3-3-95 : Plans to lease rig
Gene Campbell - Wickenburg
Stuart Bros. } - Grants
Joe Salazar }
Beeman Bros. - Apache Jct.
Tim Ludewick - Farmington
Charlie Laurence - Big Springs, Texas

Schlumberger \$1,200 to enter State w/ tools
Bob Beemish, Winslow, to survey location
Bank One C.D. for Bond.
B.J. 140 SX life + 140 SX class B

May tail rig out from Big Springs, Texas
= Cheaper than leasing
= \$10,000 to tail out
= Four Corners Drilling, Farmington \$65,000 move-in

3-14-95 : Lynn Neal, SWCA Inc., Flagstaff
Will do archaeological survey + report
will send copy here + to ltv

3-20-95 : Call ltv + acknowledge receipt survey plat
He advises no archaeological sites
May lease rig in Tucson (BS Drilling)
Will mail prognosis
Bring in Bond when here to insp. rig

MEMORANDUM TO FILE

DATE: March 3, 1995

FROM: ~~SLE~~ Steven L. Rauzi
Oil and Gas Program Administrator

SUBJECT: Known and reasonably estimated freshwater aquifers in vicinity of
THE TOWNSEND CO., 26-1 STATE
NE NW NE Sec. 26, T. 19 N., R. 13 E., Coconino County

Bruce Hammett, Basic Data Section, Arizona Department of Water Resources, reported this date that no water wells are registered in sec. 26, T. 19 N., R. 13 E. The nearest water wells registered with the Department are in the northwest quarter of section 34 and the northeast quarter of section 23. The well in section 34 is 390 feet deep with a water level reported at a depth of 244 feet in 1989. The well in section 23 is 450 feet deep with a water level reported at a depth of 320 feet in 1949.

Thus 500 feet of surface casing will be sufficient to protect all known and reasonably estimated fresh water aquifers at the location of the subject well.


**THE
TOWNSEND CO.**
INDEPENDENT OIL OPERATOR
ABILENE, TEXAS

4400 Buffalo Gap Road, Suite 4503
Abilene, Texas 79606

TELEPHONE
(915) 692-1436



MAR 3 1995

~~FEB 23 1995~~

February 27, 1995

Arizona Geological Survey
845 North Park Ave. #100
Tucson, Arizona 85719

ATTN: Mr. Steven L. Rauzi

RE: Application to drill - State 26-1

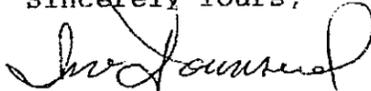
Dear Sirs:

We plan to drill the above mentioned well in March 1995.

Please, find attached our Organization Report and Application for Permit to Drill. (A certified Surveyor's Plat will be submitted at a later date.)

I plan to be in Arizona during the week of March 6, 1995. During this trip I will finalize a drilling contractor, purchase a C.D. from a Arizona Bank and file Form 2, and survey location.

Sincerely Yours,



Irv Townsend

alt/IT

enclosures: Check
Organization Report
Application to Drill (2 copies)
Well Plat

**ASSIGNMENT TO ARIZONA STATE TREASURER
SECURITY IN LIEU OF CASH DEPOSIT FOR COMPLIANCE WITH
SECTION 35-155 ARIZONA REVISED STATUTES**

THE TOWNSEND CO.
 NAME 4400 BUFFALO GAP RD STE 4503 ABILENE
 STREET ADDRESS Taylor Texas (915)698-3134 CITY
 COUNTY STATE TELEPHONE NUMBER

hereinafter referred to as ASSIGNOR, does hereby assign and transfer to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, all right, title and interest of any kind whatsoever, owned or held by Assignor in the principal, but not in the interest hereinafter accruing after the date of this assignment in the insured account of ASSIGNOR so long as such funds remain on deposit in the
Bank One Arizona, N.A. Downtown Tucson Office T015
 FINANCIAL INSTITUTION

whose address is 2 E. Congress Tucson Pima
 STREET ADDRESS CITY COUNTY

Arizona, as evidenced by an account in the amount of ***Ten Thousand and 00/100* * * * * dollars (\$**10,000.00**) identified by account number 8241-9103 / 4002292 which account is insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. This assignment is given as security for compliance with ARS 27-501 to 539 and with the Rules of the Oil and Gas Conservation Commission.

Dated this 4th day of April, 1995, at Tucson Arizona.

IMPORTANT - SIGNATURE OF ASSIGNOR

This Assignment shall be signed by the Individual Himself

THE TOWNSEND CO.
 NAME OF ASSIGNOR EXACTLY AS SHOWN ABOVE
 BY: [Signature]
 SIGNATURE OF ASSIGNOR

FIRST ENDORSEMENT - RECEIPT FOR NOTICE OF ASSIGNMENT

Receipt is hereby acknowledged to the Treasurer of the State of Arizona, hereinafter referred to as the TREASURER, of written notice of the assignment to said Treasurer of the above-identified account. We have noted our records to show the interest of the Treasurer in said account as shown in and by the assignment above. We have retained a copy of this document. We hereby certify that we have not received any notice of lien, encumbrance, hold, claim or other obligation against the above-identified account prior to its assignment to the Treasurer. We further hereby waive any current and future right of set-off against such account. We agree to make payment as required by the Rules and Regulations of the Treasurer adopted in accordance with applicable laws and the law applicable to this institution.

Dated this 4th day of April, 1995, at Tucson, Arizona
Bank One, Arizona, N.A. Downtown Tucson Office #015
 NAME OF FINANCIAL INSTITUTION

BY [Signature] Personal Banker
 SIGNATURE OF OFFICER OF FINANCIAL INSTITUTION TITLE

Subscribed and sworn before me this 4 day of April, 1995.

[Signature]
 NOTARY PUBLIC SIGNATURE

COMMISSION EXPIRES 9-30-98

SECOND ENDORSEMENT - RECEIPT FOR SECURITY AND DIRECTION TO PAY EARNINGS

Receipt is acknowledged of the assignment above and the account identified in the assignment above. The financial institution named in the assignment above is hereby authorized and directed to pay any earnings credited after the date of this assignment on the above-identified account of the above-named assignor.

Dated this _____ day of _____, 19____, at _____, Arizona.

ARIZONA STATE TREASURER
 Treasurer or Authorized Representative
 By: [Signature]
 (Prepare in duplicate. Please Type all Information)

Attach Original Assignment to Certificates of Deposit and File with State.

RECEIVED
 STATE TREASURER
 5 26 PM '95

SECURITIES SAFEKEEPING
 1700 WEST WASHINGTON ST. - PHOENIX, ARIZONA 85007

DATE: 4-4-95

STATE AGENCY NO. _____

STATE AGENCY ARIZONA GEOLOGICAL SURVEY

State Treasurer's Use Only

COMPANY THE TOWNSEND CO.

4400 BUFFALO GAP RD, STE 4503

ABILENE TX 79606

DOMESTIC FOREIGN

DEPOSIT

C.D. NO.: 4002292 ✓

BANK: BANK ONE, ARIZONA, NA ✓

MATURITY DATE: 10-1-95 ✓

INTEREST RATE: 5.25 % ✓

AMOUNT \$ 10,000.00 ✓

RECEIVED
STATE TREASURER
APR 6 1995 2:27 PM

C.D. ASSIGNMENT MUST BE ATTACHED UNLESS C.D. IS PAYABLE TO STATE TREASURER

RELEASE

C.D. NO.:

BANK:

MATURITY DATE:

INTEREST RATE: %

AMOUNT \$

STATE TREASURER VALIDATION NO. _____

RECEIVED THE ABOVE RELEASE		STATE AGENCY AUTHORIZATION	
BY _____		BY <u>Steven L. Rainey</u>	
Authorized Signature	Date	Authorized Signature	
Bank or Firm		STATE TREASURER AUTHORIZATION	
FOR BANK USE ONLY		BY <u>Matthews Valentin</u>	
Checked by	Verified by	Authorized Signature	
		STATE'S DEPOSITORY BANK	

