

LEASES CLOSE TO PRODUCING FIELDS

Navajos Get High Bids From Big Oil Companies

The Navajo Indians have announced high bids from many of the nation's large oil companies on leases on reservation lands close to the state's major oil fields near Red Rock in Apache County, the state oil and gas conservation commission said.

Commission executive secretary John Bannister also announced that April production totals in the six producing wells in the new fields totaled 161,766 barrels, compared with the en-

tire state total for the previous month of 168,467.

"THE NEW fields alone yielded more oil in April than all that was produced in the state last year," Bannister said.

High bidders in the areas immediately adjacent to the big discoveries of Kerr-McGee Petroleum and Humble Oil & Refining were:

Gulf—In sections 6, 7 and 17 of Township 35N, 29E.

Superior—Sections 25, 26 and 35, same township.

Doherty, Anderson and Caugham, independents out of Albuquerque—Sections 11, 12 and 14 in township 36N, 29E.

HOWARD SPEER, independent out of Wichita Falls, Tex.—Section 21 in Township 36N, 30E.

Among other high bidders for leases on 215,822.88 acres scattered in Northeast Arizona and New Mexico were Chevron, Texaco, Shell, Skelly, Pan American, Champlin, Pubco, Depco, Husky Oil Co., and the big independent, W. T. Blackburn, Bannister said.

"While it is too early to analyze results, it appears greatly significant to Arizona that so many large companies have expressed an interest in or on our lands. It, of course, is possible their activities will be spread to other parts of the state," Bannister said.

HE SAID ONE surprising turn in the bidding was that Kerr-McGee and Humble, while bidding on lands away from their producing fields, did not bid on acreage immediately adjacent. The nearby lands were considered the big prizes in the auction.

According to Bannister, no substantial bonus offers were made "such as occurred in Arizona 8 to 10 years ago."

Many smaller firms were among successful bidders for parcels of the acreage. The Navajos have the privilege of rejecting high bids and final reports will not be available for a few days, Bannister said.

The commission said to date 20 permits have been issued for wells in the new fields exploited by Kerr-McGee and Humble.

Petitions Delayed To Check Legality

Gazette's Scottsdale Bureau

SCOTTSDALE—A delay in the circulation of petitions for an initiative to block commercial zoning on N. Scottsdale Road has been called to check on the legality of such action, it was disclosed today.

G. Herb Caywood, organizer of Zoning Alert Citizens Committee (ZACC), said the group decided to await an opinion from an attorney, Joseph Meier, who is out of town on business.

CAYWOOD emphasized, however, that the delay does not mean the ZACC is giving up on its petition drive.

However, he said, it was felt that the legality of initiatives in general should be studied, al-

though the group plans to go ahead with a referendum instead.

WHILE THE referendum would have no legal effect, he said, it would indicate the will of the voters.

Caywood said ZACC has organized a speakers bureau and is taking appointments.

Meanwhile, R. C. (Mike) Fennell, whose plans to develop a shopping center at the southwest corner of Lincoln Drive and Scottsdale Road set off the zoning war, announced he will go ahead with the preparation of a site plan.

FENNELL, whose projected development has been held up for about a year because of zoning difficulties with the Town of Paradise Valley, across the road from the center location, still has to obtain approval from the Scottsdale City Council for his site plan.

Previously, the Scottsdale

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