

Pinta Dome

Holbrook Basin Area Soon To Hum With Oil Exploration Activities

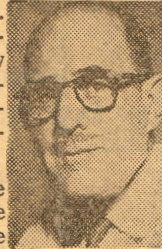
By GIG KNEELAND

Arizona's vast 3-million-acre Holbrook basin may soon see widespread oil exploration activity.

Plans for the drilling of 10 wildcat wells, with at least two of them to be started prior to Sept. 1, have been reported from New Mexico's oil centers of Farmington and Albuquerque.

Involved in the program are such big-name companies as Pan American Petroleum Corp., Sunray Mid-Continent Oil Co., and Kerr-McGee Oil Industries, Inc.

Pan American and an undesignated number of associated companies, are reported to have ne-



gotiated a long-time lease with completion-drilling commitments from the Aztec Land & Cattle Co. and the New Mexico & Arizona Land Co., for huge parcels of the 700,000 acres of northeastern Arizona which now are held by those two companies.

Reports from oilmen are that Pan American is joined by at least four other major companies.

Pan American's reported share is a 75,000-acre block of leases.

ALBUQUERQUE oil interests report the program calls initially for the drilling of four wells, with another four to be spudded in later.

Involved in the program by the combined majors is an area covering about 140 townships, each of 36 sections with 640 acres to the section. However, only fragments of this huge area are said to be under lease negotiations fronted by Pan American.

Kerr-McGee of Oklahoma, which took over an estimated 100,000 acres of leases in the Holbrook Basin, is expected to start drilling soon in the Nine-Mile Anticline area about 25 miles east of Holbrook.

THIS ANTICLINE, which is in Ranges 25 and 26 East, Township 18 North, was originally geologized by Dorsey Hager. Kerr-McGee last week was reported offering an over-ride percentage plus assignment purchases up to \$5 an acre, for speculative leases held in the anticline area.

Kerr-McGee also holds six shut-in wells south of Navajo in Apache County. All of these, it is said, are capable of producing helium and nitrogen gas. In addition, at least three have been drilled to basement where natural gas and oil were reported likely. However, Kerr-McGee has made no official announcement regarding the findings.

Also in the Holbrook area, Besoil Co. has filed its drilling bond and obtained a state permit to continue drilling on its No. 1 Perkins (fee land) wildcat about 3 miles west of Holbrook and along U.S.-66 Highway.

In a previous wildcat, west of the Perkins site, Besoil has sued Halliburton Oil Well Cementing Co. for more than \$1 million on the charge that Halliburton damaged the well and prevented production. This suit now is pending in federal court at Phoenix.