

\* RE-ENTERED

Entered in NID File .....  
Location Map Pinned .....  
Card Indexed .....  
.....

Checked by Chief P.W.B.  
Approval Letter 5-19-69  
Disapproval Letter .....

COMPLETION DATA:

Date Well Completed 7-4-69 Location Inspected .....  
OW..... WW..... TA..... Bond released  
GW..... OS..... PA..... State or Fee Land .....

LOGS FILED

Driller's Log.....  
Electric Logs (No.) .....  
E..... I..... Dual I Lat..... GR-N..... Micro.....  
BHC Sonic GR. meter Lat..... Mi-L..... Sonic.....  
CBLog..... CCLog..... Others.....

2130  
1980  
-150

\* Application & conductor & pack  
water disposal 5-9-69.

Bond has been filed with Stat Land Board  
as per teletype call to Neil Prince 8-30-69

January, 1979 - Operator change to: Richard P. Smoot

Subsequent Report of Abandonment  
Plugged & Abandoned 7-21-65

1475  
878-3  
8513  
-270

ENTRATIONS			
Entered in NID File	<input checked="" type="checkbox"/>	Checked by Chief	<u>PMB</u>
Entered On S R Sheet	<input checked="" type="checkbox"/>	Copy NID to Field Office	<input checked="" type="checkbox"/>
Location Map Pinned	<input checked="" type="checkbox"/>	Approval Letter	<input checked="" type="checkbox"/>
Card Indexed	<input checked="" type="checkbox"/>	Disapproval Letter	<input type="checkbox"/>
IWR for State or Fee Land	<input type="checkbox"/>		
COMPLETION			
Date Well Completed	<u>12-23-73</u>	Location Inspected	<u>P.W.B.</u>
OW..... WW..... TA.....		Bond released	
GW..... OS..... PA.....		State of Fee Land	
LOGS FILED			
Driller's Log	<u>1-13-64</u>		
Electric Logs (No.)	<u>2</u>		
E..... I..... E-I..... GR..... GR-N..... Micro.....			
Lat..... Mi-L..... Sonic <u>GR</u> ..... Others.....			

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG X ELECTRIC S X FILE X WATER SANDS NO LOCATION: ECTED PWB SUB. REPORT/abd. 8-2-65

Nov., 1963 changed well name from Suniland State "A"-#2. to Suniland State "A"-#1.

- \* 7-23-65 Sub. Report of Redrilling or Repair
- \* 5-12-69 Notice to Reenter by Consolidated Oil & Gas
- \* 7-25-69 Sub. Report of Converting to Salt Water Injection

*960000 CONVERSION FROM DISPOSAL TO OIL & GAS Well #1: 1-13-96*

Consolidated Oil & Gas changed well name back to Suniland State "A"-#2

DATE FILED 7-29-63 \* 5-12-69 (JAN, 1979 - Operator change to: Richard P. Smoot)

LAND: FEE & PATENTED STATE LEASE NO. ML 2113 PUBLIC LEASE NO. INDIAN

DRILLING APPROVED: 7-29-63 \* 5-19-69

SPUDED IN: 9-26-63 \* 2-16-65 \* 6-7-69

COMPLETED: 12-23-63 PUT TO PRODUCING: \* SI April, 1965 \* 7-4-69

INITIAL PRODUCTION: 70 BOPD 47 BWPD \* 1050 BWPD

GRAVITY A.P.I. 48.3°

GOR: 6160:1

PRODUCING ZONES: 8781'-88' \* 8730'-58' \* 8726'-36' *8488-8685' (MSSO)*

TOTAL DEPTH: *SP 410'*

WELL ELEVATION: 4385' DF

DATE ABANDONED: 7-21-65 P&A

FIELD: Salt Wash

UNIT:

COUNTY: GRAND

WELL NO. SUNILAND STATE "A"-UNIT #2 API 43-019-10833

LOCATION 660' FT. FROM X(S) LINE, 2130' FT. FROM X(W) LINE. SESW ¼-¼ SEC. 16

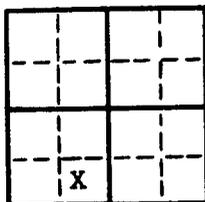
*Disposal* \* 1-13-96 Change of Operator

TWP.	RGE.	SEC.	OPERATOR	W.P.	RGE.	SEC.	OPERATOR
			<b>RICHARD P. SMOOT</b>				

## E LOG TOPS

## GEOLOGIC TOPS:

QUATERNARY	Star Point	Chinle	1544'	Molas
Alluvium	Wahweap	Shinarump	1819'	Manning Canyon
Lake beds	Masuk	Moenkopi	1930'	Mississippian 8122'
Pleistocene	Colorado	Sinbad		Humbug
Lake beds	Sego	PERMIAN		Brazer
TERTIARY	Buck Tongue	Kaibab		Pilot Shale
Pliocene	Castlegate	Coconino		Madison
Salt Lake	Mancos	Cutler	2547'	Leadville
Oligocene	Upper	Hoskinnini		Redwall
Norwood	Middle	DeChelly		DEVONIAN
Eocene	Lower	White Rim		Upper
Duchesne River	Emery	Organ Rock		Middle
Uinta	Blue Gate	Cedar Mesa		Lower
Bridger	Ferron	Halgaite Tongue		Ouray
Green River	Frontier	Phosphoria		Elbert
	Dakota	Park City		McCracken
	Burro Canyon	Rico (Goodridge)		Aneth
	Cedar Mountain	Supai		Simonson Dolomite
	Buckhorn	Wolfcamp		Sevy Dolomite
	JURASSIC	CARBONIFEROUS		North Point
Wasatch	Morrison	Pennsylvanian		SILURIAN
Stone Cabin	Salt Wash	Oquirrh		Laketown Dolomite
Colton	San Rafael Gr.	Weber		ORDOVICIAN
Flagstaff	Summerville	Morgan		Eureka Quartzite
North Horn	Bluff Sandstone	Hermosa	3806'	Pogonip Limestone
Almy	Curtis	Salt	5375'	CAMBRIAN
Paleocene	Entrada	Pardox		Lynch
Current Creek	Moab Tongue	Ismay		Bowman
North Horn	Carmel	Desert Creek		Tapeats
CRETACEOUS	Glen Canyon Gr.	Akahi		Ophir
Montana	Navajo	Barker Creek		Tintic
Mesaverde	Kayenta			PRE-CAMBRIAN
Price River	Wingate	Cane Creek	1203'	Massive Miss. 8424'
Blackhawk	TR	C		



STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
SALT LAKE CITY, UTAH

Fee and Patented.....  
State .....  
Lease No. ML-2113.....  
Public Domain .....  
Lease No. ....  
Indian .....  
Lease No. ....

SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....	<input checked="" type="checkbox"/>	Subsequent Report of Water Shut-off.....	<input type="checkbox"/>
Notice of Intention to Change Plans.....	<input type="checkbox"/>	Subsequent Report of Altering Casing.....	<input type="checkbox"/>
Notice of Intention to Redrill or Repair.....	<input type="checkbox"/>	Subsequent Report of Redrilling or Repair.....	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing.....	<input type="checkbox"/>	Supplementary Well History.....	<input type="checkbox"/>
Notice of Intention to Abandon Well.....	<input type="checkbox"/>	.....	<input type="checkbox"/>

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

..... July 26 ....., 19.63.....

Suniland State "A"  
Well No. 2 is located 660 ft. from ~~SW~~S line and 2130 ft. from ~~SE~~W line of Sec. 16

SE SW/4 Section 16 ..... T-23-S ..... R-17-E ..... S. I. M. ....  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)  
Salt Wash Mississippian ..... Grand County ..... Utah .....  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is To Report feet.  
Later

A drilling and plugging bond has been filed with .....

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

We propose to drill the Suniland State "A" No. 2 with rotary tools to an approximate depth of 8900 feet to test the Mississippian formation. The following casing program is planned:

Size	Depth	Cement	Remarks
8-5/8"	1200'	500 sx. (est.)	Circulate to surface. ✓
5-1/2"	8900'	1250 sx. (est.)	Using 2-stage cementing tool at base of salt, cement will fill to above salt. ✓

Copies of location plat are attached. Copies of surveys run will be submitted upon completion. ✓

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company Pan American Petroleum Corporation  
Address P. O. Box 480  
Farmington, New Mexico  
By [Signature]  
Title District Engineer

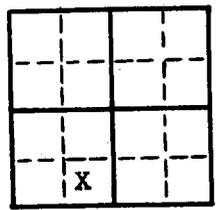
INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.



*Lepp H. L. E.*  
(SUBMIT IN DUPLICATE)

LAND:  
Fee and Patented.....  
State.....  
Lease No. ML-2113.....  
Public Domain.....  
Lease No. ....  
Indian.....  
Lease No. ....

STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
SALT LAKE CITY, UTAH



SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....	<input checked="" type="checkbox"/>	Subsequent Report of Water Shut-off.....	<input type="checkbox"/>
Notice of Intention to Change Plans.....	<input type="checkbox"/>	Subsequent Report of Altering Casing.....	<input type="checkbox"/>
Notice of Intention to Redrill or Repair.....	<input type="checkbox"/>	Subsequent Report of Redrilling or Repair.....	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing.....	<input type="checkbox"/>	Supplementary Well History.....	<input type="checkbox"/>
Notice of Intention to Abandon Well.....	<input type="checkbox"/>		

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Suniland State "A"  
Well No. 2 is located 660 ft. from S line and 2130 ft. from W line of Sec. 16  
July 26, 1963

SE SW/4 Section 16 T-23-S R-17-E S. I. M.  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)

Salt Wash Mississippian Grand County Utah  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is To Report feet.  
Later

A drilling and plugging bond has been filed with .....

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

We propose to drill the Suniland State "A" No. 2 with rotary tools to an approximate depth of 8900 feet to test the Mississippian formation. The following casing program is planned:

Size	Depth	Cement	Remarks
8-5/8"	1200'	500 sx. (est.)	Circulate to surface.
5-1/2"	8900'	1250 sx. (est.)	Using 2-stage cementing tool at base of salt, cement will fill to above salt.

Copies of location plat are attached. Copies of surveys run will be submitted upon completion. ✓

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company Pan American Petroleum Corporation  
Address P. O. Box 480 By Fred L. Nator  
Farmington, New Mexico Title District Engineer

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.

July 29, 1963

Pan American Petroleum Corporation  
P. O. Box 480  
Farmington, New Mexico

Attention: Fred L. Nabors, District Engineer

Gentlemen:

This is to acknowledge receipt of your notice of intention to drill Well No. Suniland State 'A'-#2, which is to be located 660 feet from the south line and 2130 feet from the west line of Section 16, Township 23 South, Range 17 East, SLEM, Grand County, Utah.

Please be advised that insofar as this office is concerned, approval to drill said well is hereby granted. However, this approval is conditional upon a bond being filed with the State Land Board.

As soon as you have determined that it will be necessary to plug and abandon the above mentioned well, you are hereby requested to immediately notify the following:

PAUL W. BURGHELL, Chief Petroleum Engineer  
Office: DA 8-5771 or DA 8-5772  
Home: CR 7-2890  
Salt Lake City, Utah

This approval terminates within 90 days if the above mentioned well has not been spudded in within said period.

Enclosed please find Form OGCC-8-X, which is to

July 29, 1963

be completed if water sands (aquifers) are encountered while drilling, particularly assessable near surface water sands.

Your cooperation with respect to completing this form will be greatly appreciated.

Please have the enclosed "Minimum Safety Requirements" notice posted in a conspicuous place on the drilling location.

Very truly yours,

OIL & GAS CONSERVATION COMMISSION

CLEON B. FEIGHT  
EXECUTIVE DIRECTOR

CBF:cnp

cc: State Land Board  
105 State Capitol Building  
Salt Lake City, Utah

H. L. Coonts, Petroleum Engineer  
Oil & Gas Conservation Commission  
Moab, Utah

STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION

Salt Lake City 14, Utah

REPORT OF OPERATIONS AND WELL STATUS REPORT

State...Utah..... County...Grand..... Field or Lease ...Suniland State A.....

The following is a correct report of operations and production (including drilling and producing wells) for  
August....., 19..63.

Agent's address ...P. O. Box 480..... Company PAN AMERICAN PETROLEUM CORPORATION  
..... Farmington, New Mexico..... Signed *[Signature]*  
Phone .....325-8841..... Agent's title ..Administrative Clerk.....

State Lease No. ...ML-2113..... Federal Lease No. .... Indian Lease No. .... Fee & Pat.

Sec. & 1/4 of 1/4	Twp.	Range	Well No.	*Status	Oil Bbls.	Water Bbls.	Gas MCF's	REMARKS (If drilling, Depth; if shut down, Cause; Date & Results of Water Shut-Off Test; Contents of Gas; and Gas-Oil Ratio Test)
SE/4 SW/4 Section 16	23S	17E	No. 2					Suniland State "A" No. 2 August location only  Note: Reference is made to your letter dated 10-2-63. This well was not spudded until 9-26-63.

NOTE: Report on this form as provided for in Rule C-22. (See back of form.)

FILE IN DUPLICATE

\*STATUS: F-Flowing P-Pumping GL-Gas Lift  
SI-Shut In D-Dead  
GI-Gas Injection TA-Temp. Aban.  
WI-Water Injection

10-

*[Handwritten initials]*  
7

*Copy H.L.L.*

**STATE OF UTAH**  
**OIL & GAS CONSERVATION COMMISSION**  
 Salt Lake City 14, Utah

**REPORT OF OPERATIONS AND WELL STATUS REPORT**

State Utah County Grand Field or Lease Suniland State "A" Unit Lease  
 Salt Wash Field

The following is a correct report of operations and production (including drilling and producing wells) for

September, 1963.

Agent's address P. O. Box 480 Company PAN-AMERICAN PETROLEUM CORPORATION

Farmington, New Mexico Signed *P. R. Turner*

Phone 325-8841 Agent's title Administrative Clerk

State Lease No. ML-2113 Federal Lease No. \_\_\_\_\_ Indian Lease No. \_\_\_\_\_ Fee & Pat.

Sec. & 1/4 of 1/4	Twp.	Range	Well No.	*Status	Oil Bbls.	Water Bbls.	Gas MCF's	REMARKS (If drilling, Depth; if shut down, Cause; Date & Results of Water Shut-Off Test; Contents of Gas; and Gas-Oil Ratio Test)
SE/SW 16	23S	17E	2	—	—			Suniland State 'A' No. of Days Produced: — Drilling 2070' Spudded September 26, 1963.

RECEIVED  
 BR. OF OIL & GAS OPERATIONS  
 OCT 14 1963  
 U. S. GEOLOGICAL SURVEY  
 SALT LAKE CITY, UTAH

NOTE: Report on this form as provided for in Rule C-22. (See back of form.)

FILE IN DUPLICATE

\*STATUS: F-Flowing P-Pumping GL-Gas Lift  
 SI-Shut In D-Dead  
 GI-Gas Injection TA-Temp. Aban.  
 WI-Water Injection

*1d*

October 2, 1963

Pan American Petroleum Corporation  
P. O. Box 480  
Farmington, New Mexico

Re: Well No. Suniland State 'A'-#2  
Sec. 16, T. 23 S, R. 17 E.  
Grand County, Utah

Gentlemen:

Our records indicate that you have not filed a Monthly Report of Operations for the month of August, 1963 for the subject well. Rule C-22(1), General Rules and Regulations and Rules of Practice and Procedure, Utah State Oil and Gas Conservation Commission requires that said reports be filed on or before the sixteenth (16) day of the succeeding month.

These reports may be filed on Form OGCC-4, "Report of Operations and Well Status Reports", on Company Forms containing substantially the same information, or on U. S. Geological Survey Form D-329, "Lessee's Monthly Report of Operations".

We are enclosing Form OGCC-4 for your convenience.

Very truly yours,

OIL & GAS CONSERVATION COMMISSION

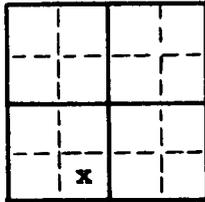
CLARELLA N. FECK  
RECORDS CLERK

CNP:apl

Enclosures: (Forms)

LAND:

*AMC*



STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
SALT LAKE CITY, UTAH

Fee and Patented.....  
State.....  
Lease No. ML-2113  
Public Domain.....  
Lease No. ....  
Indian.....  
Lease No. ....

SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....		Subsequent Report of Water Shut-off... <u>8-5/8"</u>	<input checked="" type="checkbox"/>
Notice of Intention to Change Plans.....		Subsequent Report of Altering Casing.....	
Notice of Intention to Redrill or Repair.....		Subsequent Report of Redrilling or Repair.....	
Notice of Intention to Pull or Alter Casing.....		Supplementary Well History.....	
Notice of Intention to Abandon Well.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Suniland State "A" Unit Farmington, New Mexico..... October 23., 19..63..  
Well No. ....2..... is located ...660... ft. from SW line and ...2130.. ft. from W line of Sec.....16.....  
SW/4 Section 16 T-23-S R-17-E S.L.M.  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)  
Salt Wash Mississippian Grand County Utah  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is .....4385..... feet.

A drilling and plugging bond has been filed with .....

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

The above well was spudded on September 26, 1963, and drilled to a depth of 1203'. 8-5/8" casing was set at that depth with 500 sacks cement. Cement circulated to surface. After waiting on cement tested casing with 1000 psi. Test ok. Reduced hole to 7-7/8" and resumed drilling.

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company Pan American Petroleum Corporation  
Address P. O. Box 480 By Fred L. Nabors, District Engineer  
Farmington, New Mexico Title.....

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.

*U.*

STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
Salt Lake City 14, Utah

**REPORT OF OPERATIONS AND WELL STATUS REPORT**

Suniland State "A" Unit Lease

State Utah County Grand Field or Lease Salt Wash Field

The following is a correct report of operations and production (including drilling and producing wells) for  
October, 1963.

Agent's address P. O. Box 480 Company PAN AMERICAN PETROLEUM CORPORATION

Farmington, New Mexico Signed [Signature]

Phone 325-8841 Agent's title Administrative Clerk

State Lease No. ML-2113 Federal Lease No. \_\_\_\_\_ Indian Lease No. \_\_\_\_\_ Fee & Pat.

Sec. & 1/4 of 1/4	Twp.	Range	Well No.	*Status	Oil Bbls.	Water Bbls.	Gas MCF's	REMARKS (If drilling, Depth; if shut down, Cause; Date & Results of Water Shut-Off Test; Contents of Gas; and Gas-Oil Ratio Test)
								No. of Days Produced
Suniland State "A" Unit Lease SE/SW 16	23S	17E	1	—	—			October Drilling Well. Total Depth 8773' Running Drill Stem Test No. 3
<i>(Formerly A-2)</i>								

NOTE: Report on this form as provided for in Rule C-22. (See back of form.)

FILE IN DUPLICATE

\*STATUS: F-Flowing P-Pumping GL-Gas Lift  
SI-Shut In D-Dead  
GI-Gas Injection TA-Temp. Aban.  
WI-Water Injection

November 8, 1963

Pan American Petroleum Corporation  
P. O. Box 480  
Farmington, New Mexico

Re: Well No. Suniland State 'A'-#2  
Sec. 16, T. 23 S. R. 17 E.,  
Grand County, Utah

Gentlemen:

Upon receiving your Electric Logs for the above mentioned well it was noted that you have changed the well name to Suniland A Unit #1. We do not have record of this well name being changed, would you please furnish us the date in which this change took place.

Your kind attention to this matter would be appreciated.

Very truly yours,

OIL & GAS CONSERVATION COMMISSION

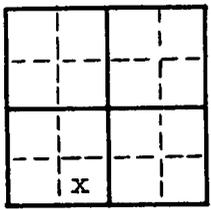
CLARELLA N. PECK  
RECORDS CLERK

CMP:kgv

Local  
VFO  
Form OGCC-1  
File 210

*Copy H & C*  
(SUBMIT IN DUPLICATE)

LAND: *PHB*  
*AK*



STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
SALT LAKE CITY, UTAH

Fee and Patented.....  
State.....  
Lease No. ML-2113.....  
Public Domain.....  
Lease No. ....  
Indian.....  
Lease No. ....

SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....	Subsequent Report of Water Shut-off 5-1/2".....	<input checked="" type="checkbox"/>
Notice of Intention to Change Plans.....	Subsequent Report of Altering Casing.....	<input type="checkbox"/>
Notice of Intention to Redrill or Repair.....	Subsequent Report of Redrilling or Repair.....	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing.....	Supplementary Well History. DST, Core, Acid Job.....	<input checked="" type="checkbox"/>
Notice of Intention to Abandon Well.....	.....	<input type="checkbox"/>

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Suniland State "A" Unit ..... Farmington, New Mexico ..... November 13, 1963.....

Well No. .... 1 ..... is located .660... ft. from  S line and .2130... ft. from  W line of Sec. 16.....

SE SW/4 Section 16 ..... T-23-S ..... R-17-E ..... S.L.M. ....  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)

Salt Wash Mississippian ..... Grand County ..... Utah .....  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is ..... 4385 ..... feet.

8763  
4385  
4378

A drilling and plugging bond has been filed with .....

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

The above well name and number was changed from Suniland State "A" No. 2 to Suniland State "A" Unit Well No. 1.

Core No. 1 - 8741-8762. Recovered 21'. Mississippian-Dolomite scattered poor to fair vugular porosity. Slight bleed gas, no show oil, faint odor and fractured throughout.

Core No. 2 - 8762-8773. Recovered 11': Dolomite with scattered poor to fair vugular porosity, slight bleed of gas and oil from porosity and fractures. Fair odor oil. Estimated gas oil contact at 8763.

Drill Stem Test No. 1 (Mississippian) 8762-73 misrun.  
Drill Stem Test No. 2 (Mississippian) 8760-73 misrun.  
Drill Stem Test No. 3 (Mississippian) 8756-73 misrun.

(SEE REVERSE SIDE)

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company..... Pan American Petroleum Corporation.....  
Address..... P. O. Box 480.....  
..... Farmington, New Mexico.....  
By..... Fred L. Nabors, District Engineer  
*F. J. Wallingworth*  
Title.....

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.

7  
11.

Core No. 3 - 8773-83 (Mississippian) Recovered 10'. 8773-73-1/2 Dolomite, scattered poor vugular porosity. 8773-1/2-79-1/2 Dolomite, scattered fair vugular porosity, bleed oil, good odor, 8779-1/2-83 scattered poor vugular porosity, boeed oil, good odor.

Drill Stem Test No. 4 (Mississippian) 8767-83 misrun.

Well drilled to a total depth of 8783'. 5-1/2" casing was set at that depth with stage tool set at 8363. Cemented first stage with 150 sacks regular cement containing 4% HR-4 and 1-1/2 pounds medium Tuf Plug per sack. Cemented second stage with 1100 sacks regular cement 50-50 Posmix with 18 pounds salt per sack. Good circulation on both stages. After waiting on cement, tested casing with 3000 psi. Test ok.

Perforated Mississippian 4 shots per foot 8775-1/2 to 8781-1/2. Spotted 250 gallons 15% acid and pressured to 2000 psi. Formation started taking fluid at 1900 psi. Pressure dropped to 1100 psi in 28 minutes. Repressured to 2000 psi and pressure dropped to 1100 psi in 25 minutes. Put all acid away into formation with treating pressure 3450 psi and injection rate of 1-1/2 barrels per minute. Began testing well. Recovered 182 barrels of oil. Well would not continue flowing. Loaded hole with oil and reacidized with 1000 gallons 15% regular acid. No breakdown, maximum treating pressure 2600 psi with injection rate of 2-1/2 barrels per minute. Recovered all load oil and began testing well.

# PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 480, Farmington, New Mexico  
November 14, 1963

File: H-913-400.1

Subject: Change of Lease Name  
and Well Number  
State Lease No. ML-2113

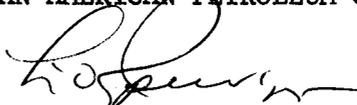
Utah Oil & Gas Conservation Commission  
310 Newhouse Building  
10 Exchange Place  
Salt Lake City 11, Utah

Gentlemen:

We wish to advise that we have changed the name of our Suniland State "A" Well No. 2 to Suniland State "A" Unit Well No. 1. This well is located in the SW/4 of Section 16, Township 23 South, Range 17 East, Grand County, Utah.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION



L. O. Speer, Jr.  
Area Superintendent

JCG:ep

h.

610

PMB  
7

November 19, 1963

MEMO FOR FILING:

Re: Pan American Petroleum Corp.  
Suniland State 'A' -#2  
Sec. 16, T. 23 S. R. 17 E.,  
Grand County, Utah

On November 13, 1963, I visited the above mentioned location. The operator had drilled to a total depth of 8783' (PBD 8782') in the Mississippian and had set pipe and perforated. They acidized the zone and had a 15 hour production test of 54.24 barrels of oil and 4.00 barrels of water with F.T.P. 125# and F.C.P. 500#.

The operator had run several drill stem tests in the Mississippian but all were misruns consequently no pressures were recorded.

HARVEY L. COONTS  
PETROLEUM ENGINEER

HLC:kgw

7

STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
310 Newhouse Building  
Salt Lake City, Utah

SALT WASH FIELD  
T. 23 S. R. 17 E.  
Grand County, Utah

---

In April, 1961, Pan American drilled the discovery well in Salt Wash Field and subsequent wells were drilled by Texaco, Inc. and Shell Oil Company. At the present time the field has its seventh well completed for what appears to be another successful producer.

The Salt Wash Field is located in the northern end of the Paradox Basin. The basin trends in a northwest - southeast direction and underlies portions of Utah, Colorado, Arizona and New Mexico. Production at Salt Wash is from porosity in the Mississippian Formation at a depth of approximately 9000 feet. The field is a Pre-Pennsylvanian structural trap with possible faulting delineating its production to the north and south. The proven productive area is about 950 acres.

Salt Wash appears to be a gas-cap drive reservoir with the gas playing the major roll in supplying the necessary energy for production. Calculations show that there are approximately 24,800,000 MSTCF of gas in place with 20,000,000 MSTCF recoverable. At the present time 3,091,966 MSTCF have been flared. Studies further showed that the oversaturated field contained an oil zone with 10,850,000 stock tank barrels in place. If the volume of gas available was of sufficient magnitude, 30% of the oil in the reservoir could be recovered resulting with 3,255,000 STBO. It should be noted that similiar fields have been known to produce in excess of 60% of the oil in place. However, this report is limited to the conservative average figure of 30%. Oil production to date has an accumulative total of 305,355 STBO.

In scrutinizing the present method of production, see attached exhibit, it can be observed that a definite trend has developed. If this trend is allowed to continue, the available gas will be depleted prior to the maximum amount of oil that could be realized. This loss represents about 1,500,000 STBO. Even if there were 30 billion cubic feet of gas that could be utilized, loss in oil would still take effect. The fact that the trend does not normally maintain a straight line but will in reality approach a more vertical position, when gas-oil ratios increase towards the end of the life of the reservoir, necessitates immediate remedial action. Such recommended action would be to re-inject the produced gas back into the gas cap and thereby sustaining reservoir energy, or at least restricting those wells with high gas-oil ratios.

Besides conserving the oil, re-injection of the gas would prevent the loss of valuable helium reserves. It is estimated that \$1,623,265 worth of this element has been flared and \$8,876,717 remains in the subsurface. Respectively, the value of the oil produced is \$763,382 with \$8,137,500 to be recovered.

When considering this potential for the helium, an attempt should be made to put the gas back into the reservoir for possible future use. Time is of the essence since 135,102 MCF of gas is being wasted every month which represents \$97,160 worth of helium. In view of the current loss, and Senator Moss's recent demands to the Department of Interior for correcting poor conservation practices with helium in the Paradox Basin, it would not behove this Commission to delay a review of the situation formally.

In qualifying the above data, it should be pointed out that calculations were based on information in the office files, and in some cases estimations were necessary due to the absence of laboratory tests relating to core and fluid analysis. Therefore, the values represent the closest proximity available and should be viewed in a general nature. Also, it was beyond the scope of this report to include the economic feasibility of constructing and maintaining re-injection or helium processing facilities.

PAUL W. BURCHELL  
HARVEY L. COONTS

STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
Salt Lake City 14, Utah

**REPORT OF OPERATIONS AND WELL STATUS REPORT**

State Utah County Grand Field or Lease Suniland State "A" Unit Salt Wash Field

The following is a correct report of operations and production (including drilling and producing wells) for

November, 19 69

Agent's address P. O. Box 480 Company PAN AMERICAN PETROLEUM CORPORATION

Farmington, New Mexico Signed ORIGINAL SIGNED BY L. R. TURNER

Phone 325-8841 Agent's title Administrative Clerk

State Lease No. ML-2113 Federal Lease No. none Indian Lease No. none Fee & Pat.

Sec. & 1/4 of 1/4	Twp.	Range	Well No.	*Status	Oil Bbls.	Water Bbls.	Gas MCF's	REMARKS (If drilling, Depth; if shut down, Cause; Date & Results of Water Shut-Off Test; Contents of Gas; and Gas-Oil Ratio Test)	
								No. of Days Produced	
<del>SE/4W 16</del>	<del>23S</del>	<del>17E</del>	<u>1</u>	<u>F</u>	<u>720.85</u>	<u>150</u>	<u>None</u>	<u>Testing</u>	<u>Total Depth 8792' in process of testing well for completion. Sold 389.63 Net Barrels to Pure Oil Co. during November. (227.79 Net Barrels 100% owned oil) (161.84 Barrels New ) Produced 720.85 Barrels new oil and recovered 227.79 barrels 100% owned lead oil during November.</u>

NOTE: Report on this form as provided for in Rule C-22. (See back of form.)

FILE IN DUPLICATE

\*STATUS: F-Flowing P-Pumping GL-Gas Lift  
SI-Shut In D-Dead  
GI-Gas Injection TA-Temp. Aban.  
WI-Water Injection

N.



FOLD MA

1/2 8784 1230 Howco 2 Stage

**PLUGS AND ADAPTERS**

Heaving plug—Material ..... Length ..... Depth set .....

Adapters—Material ..... Size .....

**SHOOTING RECORD**

Size	Shell used	Explosive used	Quantity	Date	Depth shot	Depth cleaned out

**TOOLS USED**

Rotary tools were used from 0 feet to 8792 feet, and from ..... feet to ..... feet

Cable tools were used from ..... feet to ..... feet, and from ..... feet to ..... feet

**DATES**

Date P & A ....., 19..... Put to producing December 23 ....., 19 63

The production for the first 24 hours was 117 <sup>70 BOPD</sup> barrels of fluid of which 59.9% was oil; .....% emulsion; 40.1% <sup>47 BOPD</sup> water; and .....% sediment. Gravity, °Bé. 48.3°

If gas well, cu. ft. per 24 hours ..... Gallons gasoline per 1,000 cu. ft. of gas .....

Rock pressure, lbs. per sq. in. 70 .....

**EMPLOYEES**

M. W. Tindal ....., Driller ..... G. P. Davault ....., Driller

D. W. Casey ....., Driller ..... M. Grower ....., Driller

**FORMATION RECORD**

FROM—	TO—	TOTAL FEET	FORMATION
			At the end of complete Driller's Log add Geologic Tops. State whether from Electric Logs or samples.
0	1203	1203	Surface casing seat
1203	1544	341	Lower portion of Wingate Section
1544	1819	275	Chinle
1819	1930	111	Shinarump
1930	2547	617	Moencopi
2547	3806	1259	Cutler
3806	5375	1569	Hermosa
5375	8122	2747	Salt
8122	8424	302	Mississippian
8424	8792	368	Massive Mississippian (Tops from electric Log)

(OVER)

FORMATION RECORD - CONTINUED

12.

0	5000
1	4500
2	4000
3	3500
4	3000
5	2500
6	2000
7	1500
8	1000
9	500

BPM  
+log  
PSI

A-1

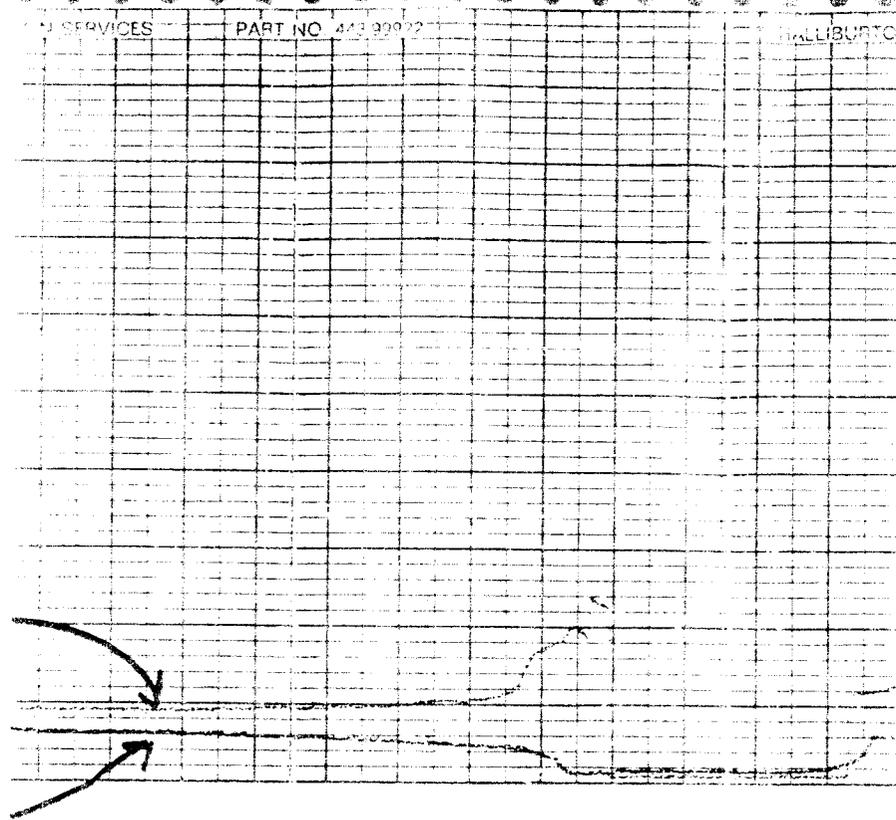
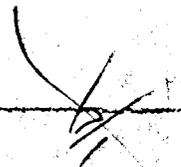
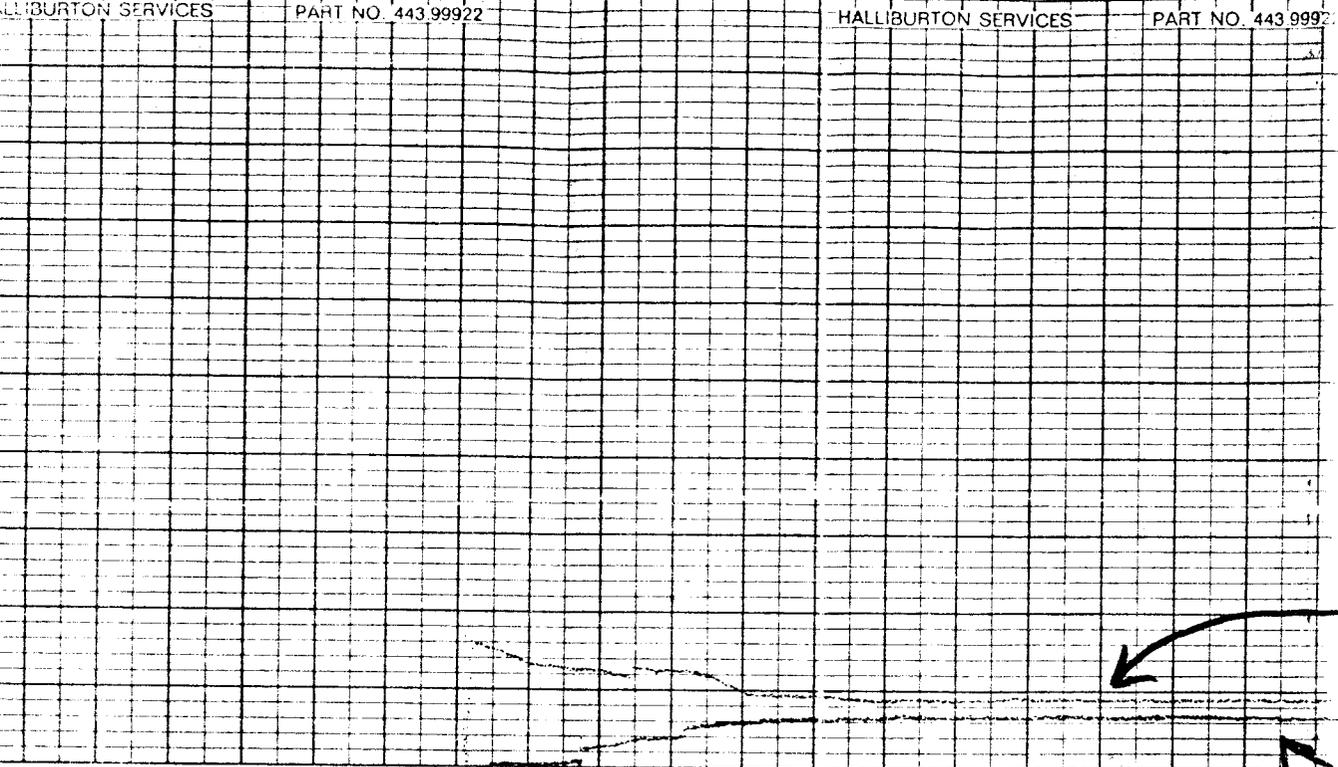
SW WEST ENERGY CORP  
 SUNLAND STATE A-1  
 SEC 16 TWP 23<sup>50</sup> R19 W2  
 GRAND COUNTY, UT.  
 UIC TEST HELD 30 MIN  
 TRUCK # 30392-7555  
 HALLIBURTON SERVICES  
 10/18/89 - KEVIN DAVIS  
 HALCO OPER

← END TEST

START TEST →

30  
29  
28  
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Acid Job SUNILAND STATE

January 13, 1964

Pan American Petroleum Corporation  
Box 480  
Farmington, New Mexico

Re; Well No. Suniland State "A" Unit #1  
Sec. 16, T. 23 S., R. 17 E.,  
Grand County, Utah

Gentlemen:

We are in receipt of your well log for the above mentioned well. However, upon checking this information, we notice that you did not report the water sands encountered while drilling.

Please complete the enclosed Forms OGCC-8-X, and return to this office as soon as possible.

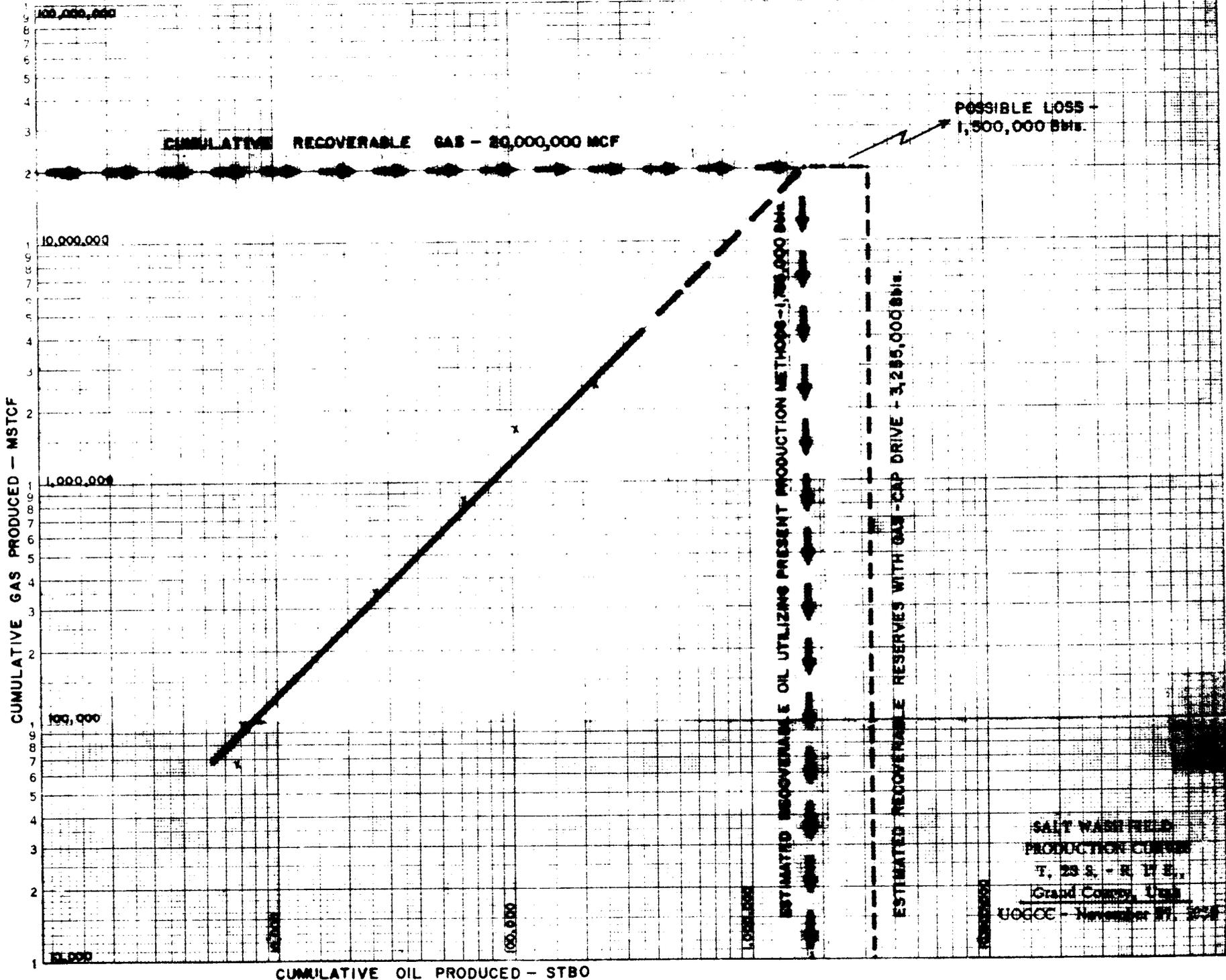
Very truly yours,

OIL & GAS CONSERVATION COMMISSION

CLARELLA N. PECK  
RECORDS CLERK

cnp

Enclosure



SALT WASH FIELD  
 PRODUCTION CURVES  
 T. 28 S. - R. 1 E.,  
 Grand County, Utah  
 UOGCC - November 27, 1958

# PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 480, Farmington, New Mexico  
January 15, 1964

File: H-511-400.1

Subject: Final Log  
Suniland State "A" Unit  
Well No. 1, Sec. 16-T23S, R17E  
Grand County, Utah

State of Utah  
Oil and Gas Conservation Commission  
310 Newhouse Building  
10 Exchange Place  
Salt Lake City 11, Utah

Attention: Claraella N. Peck

Gentlemen:

Reference is made to your letter of January 13, 1964,  
subject as above, wherein you requested we complete Forms OGCC-8-X.

Attached please find completed forms per your request.  
Note that no water sands were encountered while drilling our  
Suniland State "A" Unit Well No. 1.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION



L. O. Speer, Jr.  
Area Superintendent

JCG:ep  
Attachment

1 Copy 2/10  
2 " k.

PMB

STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
310 NEWHOUSE BUILDING  
SALT LAKE CITY 11, UTAH

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number: Suniland State "A" Unit No. 1  
Operator PAN AMERICAN PETROLEUM CORP. Address Box 480 Farmington, N.M. Phone 325-8841  
Contractor Noble Drilling Company Address 1540 Denver Club Bldg. Denver, Colorado Phone -  
Location: SE 1/4 SW 1/4 Sec. 16 T. 23 R. 17 E Grand County, Utah.  
S sk

Water Sands:

<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
<u>From</u>	<u>To</u>	<u>Flow Rate or Head</u>	<u>Fresh or Salty</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____

(Continued on reverse side if necessary)

Formation Tops:

Remarks:

No water sands encountered of sufficient head to overcome 8.4 pound water and Ben-Ex drilling fluid.

**NOTE:** (a) Upon diminishing supply of forms, please inform the Commission  
(b) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure. (See back of form)

Copy H/C

(SUBMIT IN DUPLICATE)

LAND:


STATE OF UTAH  
**OIL & GAS CONSERVATION COMMISSION**  
 SALT LAKE CITY, UTAH

Fee and Patented.....  
 State .....  
 Lease No. MI-2113  
 Public Domain .....  
 Lease No. ....  
 Indian .....  
 Lease No. ....

### SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....		Subsequent Report of Water Shut-off.....	
Notice of Intention to Change Plans.....		Subsequent Report of Altering Casing.....	
Notice of Intention to Redrill or Repair.....	<input checked="" type="checkbox"/>	Subsequent Report of Redrilling or Repair.....	
Notice of Intention to Pull or Alter Casing.....		Supplementary Well History.....	
Notice of Intention to Abandon Well.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Farmington, New Mexico January 28, 1965

Suniland State "A" Unit

Well No. 1 is located 660 ft. from ~~X~~S line and 2130 ft. from ~~X~~W line of Sec. 16

SW/4 Section 16                      T-23-S                      R-17-E                      SIM  
(1/4 Sec. and Sec. No.)                      (Twp.)                      (Range)                      (Meridian)

Salt Wash                      Grand                      Utah  
(Field)                      (County or Subdivision)                      (State or Territory)

The elevation of the derrick floor above sea level is 4388 feet.

A drilling and plugging bond has been filed with .....

#### DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

As a result of the production from the Suniland State "A" Unit Well No. 1 declining to uneconomical rates (12 BOPD and 127 BHPD in December 1964), we propose to workover the well as follows:

1. Move in workover unit, pull rods and tubing, set bridge plug at approximately 8762 (open hole 8783-92 and perforation 8775-81) and test production casing.
2. Perforate and acidize Mississippian interval 8730-8758.
3. Test and return well to production.

APPROVED BY UTAH OIL AND GAS CONSERVATION COMMISSION

DATE: 2-3-65 by Paul M. Burchell  
Chief Petroleum Engineer

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company PAN AMERICAN PETROLEUM CORPORATION  
 Address P. O. Box 480  
Farmington, New Mexico

Fred L. Nabors, District Engineer  
 By F. H. Gallagher  
 Title .....

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.

LAND:


STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
SALT LAKE CITY, UTAH

Fee and Patented.....  
 State.....  
 Lease No. ML-2113  
 Public Domain.....  
 Lease No. ....  
 Indian.....  
 Lease No. ....

### SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....		Subsequent Report of Water Shut-off.....	
Notice of Intention to Change Plans.....		Subsequent Report of Altering Casing.....	
Notice of Intention to Redrill or Repair.....	<input checked="" type="checkbox"/>	Subsequent Report of Redrilling or Repair.....	
Notice of Intention to Pull or Alter Casing.....		Supplementary Well History.....	
Notice of Intention to Abandon Well.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Farmington, New Mexico January 28, 1965

Suniland State "A" Unit  
 Well No. 1 is located 660 ft. from S line and 2130 ft. from W line of Sec. 16

SW/4 Section 16      T-23-S      R-17-E      S1M  
(1/4 Sec. and Sec. No.)      (Twp.)      (Range)      (Meridian)  
Salt Wash      Grand      Utah  
(Field)      (County or Subdivision)      (State or Territory)

The elevation of the derrick floor above sea level is 4388 feet.

A drilling and plugging bond has been filed with .....

#### DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

As a result of the production from the Suniland State "A" Unit Well No. 1 declining to uneconomical rates (12 BOPD and 127 BWPD in December 1964), we propose to workover the well as follows:

1. Move in workover unit, pull rods and tubing, set bridge plug at approximately 8762 (open hole 8783-92 and perforation 8775-81) and test production casing.
2. Perforate and acidize Mississippian interval 8730-8758.
3. Test and return well to production.

APPROVED BY UTAH OIL AND GAS CONSERVATION COMMISSION

DATE: 2-3-65

Paul H. Burchell  
Chief Petroleum Engineer

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company PAN AMERICAN PETROLEUM CORPORATION  
 Address P. O. Box 480  
Farmington,  
 Fred L. Nabors, District Engineer  
 By F. H. Haggard  
 Title

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of forms to applicable rules, regulations and orders.

Deviland Strat "A" Unit #1

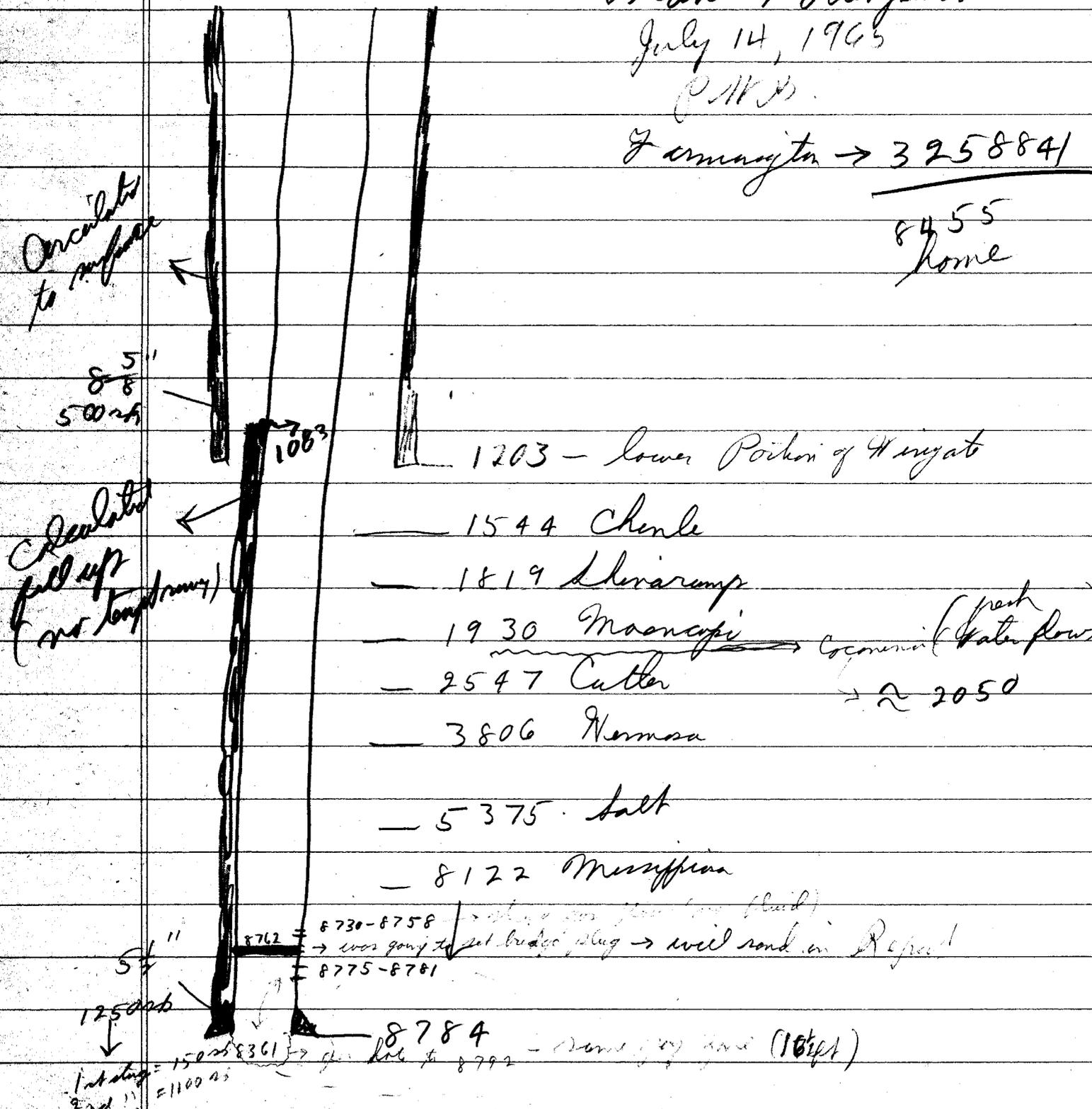
Pan Am  
Frank N. Hollenworth

July 14, 1965

(P.M.S.)

Frank N. Hollenworth → 3258841

8455  
home



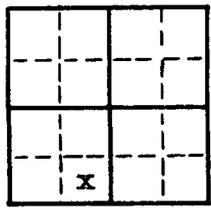
- 1) Kill with salt water & pull tubing set retainer at 8600 (1301) above → squeeze with 550 rts cement → 90 rts inside 5 1/2" casing 30 to squeeze perfor.
- 2) top of salt - 200 ft. 250 rts → between 5275 to 5475 -  
Precaution against Calaps.
- 3) 1950 to 2150 → 25 rts to protect casing against Calaps
- 4) 10 rts inside 5 1/2" (80 ft) → pump down brackish water  
50 rts → 300 ft. between 8 5/8 - 5 1/2  
with make sure water between all plugs.

(SUBMIT IN DUPLICATE)

LAND: *pm*

STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION  
SALT LAKE CITY, UTAH

Fee and Patented.....  
State.....  
Lease No. ML-2113  
Public Domain.....  
Lease No. ....  
Indian.....  
Lease No. ....



SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....	<input type="checkbox"/>	Subsequent Report of Water Shut-off.....	<input type="checkbox"/>
Notice of Intention to Change Plans.....	<input type="checkbox"/>	Subsequent Report of Altering Casing.....	<input type="checkbox"/>
Notice of Intention to Redrill or Repair.....	<input type="checkbox"/>	Subsequent Report of Redrilling or Repair.....	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing.....	<input type="checkbox"/>	Supplementary Well History.....	<input type="checkbox"/>
Notice of Intention to Abandon Well.....	<input checked="" type="checkbox"/>		

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Suniland State "A" Unit Farmington, New Mexico 7-15, 1965  
 Well No. 1 is located 660 ft. from S line and 2130 ft. from W line of Sec. 16  
SW/4, Section 16 T-23-S R-17-W SLM  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)  
Salt Wash Grand Utah  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 4388 feet.

A drilling and plugging bond has been filed with .....

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

As a result of declining production and an unsuccessful workover attempt, we propose to plug and abandon the above well as follows:

1. Cut paraffin in tubing and check tubing as deep as possible.
2. Move in pulling unit and kill well with mud and pull tubing.
3. Run cement retainer and set at approximately 8600'.
4. Cement perforations 8730-58' with 50 sacks cement (theoretical volume to fill 5-1/2" casing to bottom perforations is approximately 20 sacks, leaving approximately 30 sacks to be squeezed into formation). Drop bridging ball and reverse out excessive cement.

(See other side)

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company PAN AMERICAN PETROLEUM CORPORATION  
 Address P. O. Box 480 Farmington, New Mexico  
 By Fred L. Nabors F. H. Hallingwood  
 Title District Engineer

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.

5. Pull tubing and spot 25 sacks cement (200' fill) inside 5-1/2" casing from 5275-5475' (top of salt 5375').
6. Pull tubing and spot 25 sacks cement from 1950' to 2150' (top Coconino 2050').
7. Establish injection rate down 5-1/2" - 8-5/8" annulus and cement with 50 sacks cement (estimated 300' fill).
8. Spot 10 sacks surface plug from zero to 80' and erect abandonment marker.
9. Move out all surface equipment and clean up location.

938 & 7-100

(SUBMIT IN DUPLICATE)

LAND: *AK* *CMO*


STATE OF UTAH  
**OIL & GAS CONSERVATION COMMISSION**  
 SALT LAKE CITY, UTAH

Fee and Patented.....  
 State.....  
 Lease No. ML-2113  
 Public Domain.....  
 Lease No. ....  
 Indian.....  
 Lease No. ....

### SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....	Subsequent Report of Water Shut-off.....	
Notice of Intention to Change Plans.....	Subsequent Report of Altering Casing.....	
Notice of Intention to Redrill or Repair.....	Subsequent Report of Redrilling or Repair.....	<input checked="" type="checkbox"/>
Notice of Intention to Pull or Alter Casing.....	Supplementary Well History.....	
Notice of Intention to Abandon Well.....		

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Farmington, New Mexico July 15, 19 65

Suniland State "A" Unit  
 Well No. 1 is located 660 ft. from S line and 2130 ft. from W line of Sec. 16  
 SW/4 Section 16 T-23-S R-17-E SLM  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)  
 Salt Wash Grand Utah  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 4388 feet.

A drilling and plugging bond has been filed with .....

#### DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

Moved in workover rig 2-16-65 and killed well with salt water. Pulled tubing and ran gauge ring to 8784; OK. Bridge plug set at 8762 and tested 5-1/2" casing with 3000 psi. Test OK. Perforated 8730-8758 with 4 shots per foot. Ran tubing and landed at 8750; tubing perforations set 8737-8749. Displaced hole with lease crude oil. Spotted 3000 gallons 15% regular acid. Breakdown 2900 psi; average treating pressure 2450 psi; average injection rate 3.3 BPM. Flushed acid with 38 barrels load oil. 71 barrels acid water and 208 barrels load oil to recover. Shut down 2-1/2 hours to rebuild well head. Well started flowing back strongly and flowed 71 BLO and trace of water in 5 hours on various size chokes. Flowed 52 barrels load oil and 53 barrels acid water in 13 hours on 16/64" choke. Tubing pressure flowing 2300 psi; casing pressure flowing 800 psi and increased to 1200 psi. Load oil recovered 2-21-65. Well flowed on various choke settings for 3 weeks. Final test was: Flowed no oil and 110 barrels water in 24 hours on 24/64" choke, tubing pressure flowing 1800 psi and casing pressure flowing 2400 psi. Well shut in pending further disposition or plug and abandonment.

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company PAN AMERICAN PETROLEUM CORPORATION  
 Address P. O. Box 480  
Farmington, New Mexico  
 Fred L. Nabors, District Engineer  
 By F. W. Hollingsworth  
 Title .....

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.

July 22, 1965

MEMO FOR FILING

Re: Pan American Petroleum Corporation  
Suniland State "A" Unit #1  
Sec. 16, T. 23 S., R. 17 E.,  
Grand County, Utah

On July 20 and 21, 1965, I was on this location and witnessed the plugging operations. The plugging was accomplished as follows:

Perforations 8725'-81' and 3730'-58'  
Set retainer at 8600'  
Squeezed perforations with 25 sx  
Top salt @ 5375'  
Set 25 sx plug @ 2150'-1950' in 5½" casing  
Plug @ surface 10 sx (80')  
Pumped 50 sx down braden head between 8 5/8" and 5½" casing.

The operations were satisfactory.

HARVEY L. COONTS  
PETROLEUM ENGINEER

HLC:cam

cc: State Land Board  
105 State Capitol Building  
Salt Lake City, Utah

Copy USAS

HeMP

STATE OF UTAH OIL & GAS CONSERVATION COMMISSION SUBMIT IN TRIPLICATE\* (Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL [X] GAS WELL [ ] OTHER [ ]
2. NAME OF OPERATOR PAN AMERICAN PETROLEUM CORPORATION
3. ADDRESS OF OPERATOR P. O. Box 480, Farmington, New Mexico
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.) At surface 660 FSL and 2130 FWL
14. PERMIT NO.
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 4388 (DF)

5. LEASE DESIGNATION AND SERIAL NO. ML-2113 (State)
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME Suniland State "A" Unit
9. WELL NO. 1
10. FIELD AND POOL, OR WILDCAT Salt Wash
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SE/4 SW/4 Section 16 T-23-S, R-17-W
12. COUNTY OR PARISH Grand 13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: TEST WATER SHUT-OFF [ ], FRACTURE TREAT [ ], SHOOT OR ACIDIZE [ ], REPAIR WELL [ ], (Other) [ ]
PULL OR ALTER CASING [ ], MULTIPLE COMPLETE [ ], ABANDON\* [ ], CHANGE PLANS [ ]
SUBSEQUENT REPORT OF: WATER SHUT-OFF [ ], FRACTURE TREATMENT [ ], SHOOTING OR ACIDIZING [ ], (Other) [ ]
REPAIRING WELL [ ], ALTERING CASING [ ], ABANDONMENT\* [X]
(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

As a result of declining production and an unsuccessful workover attempt, we plugged and abandoned the above well on 7-21-65 as follows:

- 1) Moved in pulling unit and killed well with mud.
2) Pulled tubing and anchor and set cement retainer at 8600. Reran tubing.
3) Squeezed perforations 8730-8758 with 50 sacks cement. Final pressure 4400 psi.
4) Pulled tubing and spotted 25 sacks cement plug 5475 to 5275.
5) Spotted 25 sack cement plug from 2150 to 1950.
6) Spotted 10 sack cement plug from 80 to surface.
7) Pumped 90 sack cement plug down 8-5/8" -- 5-1/2" casing annulus.
8) Hole filled with heavy fluid between plugs.
9) Installed abandonment marker and cleaned up location.

18. I hereby certify that the foregoing is true and correct
SIGNED [Signature] TITLE George W. Eaton, Area Engineer DATE July 29, 1965

(This space for Federal or State office use)
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_
CONDITIONS OF APPROVAL, IF ANY:

November 15, 1965

MEMO FOR COMMISSIONERS

Re: Pan American Petroleum Corp.  
Sunnyland State "A" unit #1 well  
660' from So.=2,130' from W.  
Sec. 16, T. 23 So., R. 17 E.  
Grand County, Utah

On November 11, the above area was visited.

Abandoned well site meets with approval. Location has been satisfactorily cleaned and marked with accordance with the commission's rules and regulations.

PAUL W. BURCHELL  
CHIEF PETROLEUM ENGINEER

PWB:kh

CC: State Land Board

Rodney Smith, District Engineer

STATE OF UTAH  
OIL & GAS CONSERVATION COMMISSION

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. TYPE OF WORK  
 DRILL                       DEEPEN                       PLUG BACK   
 b. TYPE OF WELL  
 OIL WELL                       GAS WELL                       OTHER Water Disposal                       SINGLE ZONE                       MULTIPLE ZONE

2. NAME OF OPERATOR  
 Consolidated Oil & Gas, Inc.

3. ADDRESS OF OPERATOR  
 1860 Lincoln Street, Suite 1300, Denver, Colorado 80203

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface  
 660' FSL and 2130' FWL of Section 16  
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 60 miles WNW from Cortez, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. line, if any)  
 660'

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 None

16. NO. OF ACRES IN LEASE  
 352.7

19. PROPOSED DEPTH  
 8900'

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 40

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 4385 D.F.

5. LEASE DESIGNATION AND SERIAL NO.  
 ML-2113 (State)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 -----

7. UNIT AGREEMENT NAME  
 -----

8. FARM OR LEASE NAME  
 Suniland State "A"

9. WELL NO.  
 2

10. FIELD AND POOL, OR WILDCAT  
 Salt Wash

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 SE/4 SW/4 Section 16  
 T-23S, R-17E

12. COUNTY OR PARISH | 18. STATE  
 Grand | Utah

22. APPROX. DATE WORK WILL START\*  
 May 10, 1969

23. **Actual ~~PROPOSED~~ CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4	8-5/8	24#/ft.	1203'	550 Sx. to surface
7-7/8	5-1/2	17#/ft.	8783'	1250 Sx.

The subject well was plugged by Pan American Petroleum Corporation in July, 1965. Consolidated has purchased the well and requests permission to clean out existing cement plugs and reevaluate the Mississippian Formation. If commercial oil or gas production cannot be established, then it is proposed to deepen the well to 8900' and convert it to salt water disposal service in the open hole.

APPROVED BY DIVISION OF OIL & GAS CONSERVATION

DATE 5-19-69  
 BY Elmer B. Feagles

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

24. SIGNED J. J. Henderson TITLE Chief Engineer DATE 5/8/69  
 (This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

**EXHIBIT**

OIL & GAS CONSERVATION COMMISSION

Smoot No. 1

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

2. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER Water Disposal  SINGLE ZONE  MULTIPLE ZONE

3. NAME OF OPERATOR  
 Consolidated Oil & Gas, Inc.

4. ADDRESS OF OPERATOR  
 1860 Lincoln Street, Suite 1300, Denver, Colorado 80203

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface 660' FSL and 2130' FWL of Section 16  
 At proposed prod. zone

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 60 miles WNW from Cortez, Colorado

7. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. line, if any) 660'  
 8. NO. OF ACRES IN LEASE 352.7

9. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None  
 10. PROPOSED DEPTH 8900'

11. ELEVATION (Show whether DF, RT, GR, etc.) 4385 D.F.

12. Actual ~~LOGGING~~ CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4	8-5/8	24#/ft.	1203'	550 Sx. to surface
7-7/8	5-1/2	17#/ft.	8783'	1250 Sx.

The subject well was plugged by Pan American Petroleum Corporation in July, 1965. Consolidated has purchased the well and requests permission to clean out existing cement plugs and reevaluate the Mississippian Formation. If commercial oil or gas production cannot be established, then it is proposed to deepen the well to 8900' and convert it to salt water disposal service in the open hole.

APPROVED BY DIVISION OF OIL & GAS CONSERVATION

DATE 5-11-69  
 BY *[Signature]*

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

14. SIGNED *[Signature]* TITLE Chief Engineer DATE 5/8/69  
 E. J. Henderson

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY:

*Granted 5/8/69*

\*See Instructions On Reverse Side

5. LEASE DESIGNATION AND SERIAL NO.  
 ML-2113 (State)  
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 -----  
 7. UNIT AGREEMENT NAME  
 -----  
 8. FARM OR LEASE NAME  
 Suniland State "A"  
 9. WELL NO.  
 2  
 10. FIELD AND POOL, OR WILDCAT  
 Salt Wash  
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 SE/4 SW/4 Section 16  
 T-23S, R-17W  
 12. COUNTY OR PARISH  
 Grand  
 13. STATE  
 Utah

SUNILAND STATE "A" #2

6/25/69: Unable to get to location due to heavy rain.

6/26/69: Started rig up at 7:45 AM. Opened well -- no pressure and no vacuum. Started running tubing and packer at 8:00 PM:-

Baker Model "R" doublegrip (2" x 5-1/2") (not coated)	4.80'
281 jts. 2-7/8", EUE, 8 rd, J-55 tubing, internally coated w/ Tubecote TK-2	8737.06'
1 pup jt. 2-7/8" tubing	10.00'
1 pup jt. 2-7/8" tubing	6.00'
	<u>8757.86'</u>
KB	13.00'
Total	<u>8770.86'</u>

(2:30 PM): 20,000# wgt. on packer.

Loaded annulus, tested 300 psi OK. Loaded tubing; pumped 5 min. at 1 BPM at 1000 psi, pumped 10 min. at 2 BPM at 1500 psi. Shut rig down at 3:30 PM. Well on vacuum in 1 min.

6/27/69: Started rig up at 7:00 AM. Rigged up Dowell, spotted 133 bbls. treated water between tubing and 5-1/2" casing. Nipped up wellhead. Moved out rig.

6/28/69: Well SI. Waiting on salt water injection equipment hook-up.

6/29/69: Same as 6/28.

6/30/69: Same as 6/28.

7/1/69: Same as 6/28.

7/2/69: Well SI. Waiting on tie-in of salt water disposal facilities.

7/3/69: Well shut-in. Waiting on tie-in of salt water disposal facilities. Will acidize today with 5000 gals. of 20% HCl.

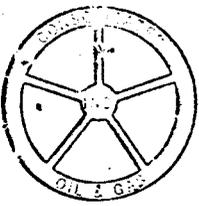
7/4/69: Treated well w/5000 gals. of 20% HCl. IPIP 3200 psi at 6-1/2 BPM. Pressure decreased to 3100 psi at 6-1/2 BPM when acid reached perms. Displaced acid at 3500 psi at 8-1/2 BPM. ISIP 1200 psi, 10 min. SIP 200 psi. Well on slight vacuum in 20 min. Final Report. Transferred to Production Report.

SUNILAND STATE "A" #2

- 6/19/69: Started rig up at 7:30 AM. SITP 1000 psi, no change overnight. Pressured up to 1700 psi on tubing, held OK. Released pressure and unseated packer. Dropped down and tagged top of cement at 8594'. Pulled out of hole w/tubing and packer. Went in hole w/4-1/2" bit, drill collars and tubing. Drilling cement plug in casing this AM.
- 6/20/69: Started up at 7:30 AM. Started drilling cement at 8:30 AM; 6000# wgt. on bit, 500 psi pump press., 70 rpm, (6) 3-1/2" drill collars. 8594-8644' (1/2 min./ft.); 8644-8742' -- good firm cement (1 min./ft.); 8742-8748' -- 6' void space; 8748-8778' (1 min./ft.); 8778' -- started torquing up, recovering rubber and metal; 8778-8798' (drlg. 3 hrs.) -- recovering formation, rubber, and metal fragments.
- 6/21/69: Drilled to 8800'. Pulled tubing, drill collars, casing scraper and 4-1/2" bit. Ran new 4-1/2" bit, drill collars and tubing.
- 6/22/69: Drilled from 8800 to 8851' (51' in 6-1/2 hrs.). Drilling time as follows:
- |          |                   |
|----------|-------------------|
| 8800-10' | (10' in 30 min. ) |
| 8810-41' | (31' in 180 min.) |
| 8841-51' | (10' in 180 min.) |
|          | 51'               |
- Circulated hole clean from 4:00 to 5:00 PM. Started tripping out for new bit.
- 6/23/69: Slight vacuum on well. Filled well with 5 BW. Finished trip out of hole at 11:00 AM. Changed bits. On bottom with new bit at 3:00 PM. Drilled 39' to 8890'. Now pulling and laying down tubing. Will run Gamma-Ray-Neutron-Correlation Log.
- 6/24/69: TD 8890'(Driller) -- 8900'(Logger). Started rig up at 7:20 AM. Finished out of hole laying down tubing and drill collars. Rigged up McCullough and ran Gamma Ray - Neutron log from 8900' to 8500'. Finished logging at 3:00 PM, and shut rig down for night. Formation taking fluid at slow rate.

SUNILAND STATE "A" #2

- 6/13/69: Started rig up at 7:00 AM, no pressure buildup overnight on casing. Hole still full of water. Went in hole w/273 jts. of internally coated tubing (Cond. "B"), 19 jts. plain tubing, and Model "R" packer. Packer at 8678' KB. Bottom of tailpipe at 8741' KB. Finished in hole w/tubing at 4:00 PM. Swabbed FL to 7500' in 2 hrs. -- no fluid entry. Will acidize w/3000 gals. acid this AM.
- 6/14/69: Started rig up at 7:00 AM. Ran tubing swab, fluid level 4500' down from surface (3000' of fluid feedin overnight -- 13 hrs.). No show of oil, slight show of gas. Pressured up to 500 psi on annulus -- held OK. Spotted B. J. SAF acid across perfs. Pressured up to 1000 psi on tubing and pressure equalized on tubing and casing. Have apparent tubing leak. Attempted to bradenhead acid into perfs. Displaced 500 gal. B. J. SAF material and 250 gal. 15% HCl into perfs. over 4 hr. period at rate of 1/8 BPM at 2200 psi. Reversed 2475 gals. of acid back to tank. Started pulling out of hole w/tubing at 3:00 PM. Laid down 75 jts. tubing and shut down for night.
- 6/15/69: Finished laying down 217 jts. 2-7/8" plastic coated tubing. Found split joint at 5700'. Went back in hole w/packer and replacement string of tubing. Shut down for night.
- 6/16/69: Started rig up at 7:30 AM. Pressured up on casing to 600 psi, and then to 3000 psi. Opened packer and spotted 5 bbls. diesel, 12 bbls. SAF material, and acid. Closed packer by-pass. Pumping into perforations at 3000 to 2800 psi at 0.6 BPM, pressure dropped from 2800 to 2400 psi when acid hit. Pressure decreased from 2400 to 900 psi w/rate increase from 0.8 to 1.7 BPM while displacing 2500 gals. of acid. ISIP 700 psi, 5 min. 200 psi. On vacuum in 15 min. Started swabbing at 12:00 Noon. Made 2 pulls from 2000' and well started flowing. Flowed well from 12:30 to 5:00 PM on 1" choke w/FTP 1500 psi. Making heavy sprout of water w/slight trace of oil. Gas will not burn. Shut well in for night. In 10 min., SITP 2500 psi.
- 6/17/69: Flowed well 8 hrs. on 1/2" choke, FTP = 1100 psi. Making large volume of inert gas w/heavy spray of salt water. Well shut-in for night. Preparing to squeeze cement this AM.
- 6/18/69: 15-1/2 hr. SITP = 3000 psi. Opened well at 7:00 AM on 1" choke. Flowed from 7:00 to 8:30 AM to relieve surface pressure, FTP (8:30 AM) = 1000 psi. Rigged up Halliburton and pumped 100 bbls. 9.7#/gal. salt water down tubing. Well dead. Moved packer up hole 210'. Set packer w/25,000#, tailpipe at 8528' and packer at 8468'. Pressured up on annulus to 700 psi, pumped into tubing at 4 BPM at 900 psi. Cement squeezed w/75 sx. When cement hit perfs., pressure started increasing. Max. PIP = 2500 psi at 1/8 BPM. Staged cement from 12:30 to 2:00 PM. Standing pressure = 1000 psi. Shutin at 2:00 PM, leaving 8 sx plug in casing w/67 sx into perfs.



WLM  
*Consolidated Oil & Gas, Inc.*

LINCOLN TOWER BUILDING  
1360 LINCOLN STREET  
DENVER, COLORADO 80203  
(303) 255-1751

Well: Suniland State "A" #2  
Saltwash Field (Deepening)  
SE SW Section 16  
T23N-R17E, Grand Co., Utah

- 6/7/69: Rigged up and finished welding casing and nipples up. Drilled 30' cement. Broke nipple out of power swivel (late evening). Will repair and start up this AM.
- 6/8/69: Repaired hydraulic system. Drilled cement from 30' to 200'. Washed mud from 200' to 1903'. Drilled cement from 1903' to 2130'. Ran bit on to 2190' and shut down for night.
- 6/9/69: Ran bit and tubing and reversed out rotary mud (2190-5110'); drilled cement stringers (5110-5130'); reversed out rotary mud (5130-5300'); drilled cement stringers (5300-5377'). Tubing started torquing up at 5362'. Drilled on to 5377' w/tubing torquing up and pump press. going from 150 psi to 500 psi. Pulled out of hole, bit (4-3/4") appeared shiny but in good condition. Scraper well polished w/steel cuttings. Shut down at 4:00 PM. This AM will go back in hole w/4-5/8" bit and scraper.
- 6/10/69: Ran 4-1/2" bit and scraper to 5377'. Drilled cement from 5377-5563'. Ran bit on to 7110'. Reversed and cleaned hole -- mud showing some gas. Ran bit on to 8250' -- reversed mud from hole. Drilled and washed cement and mud from 8250-8495'. Reversed and cleaned hole. Shut down for night.
- 6/11/69: Started rig up at 7:00 AM. Drilled cement and washed mud: 8495-8609' (tubing measurements). Drilled C.I. cement retainer (7 hrs.) at 8609'. Drilled cement: 8609-8747'.\* Shut down for night. Will perf. 5-1/2" casing today (8726-8736').
- \*Note correction made: 8609-8747', PBD 8747' (WLM).
- 6/12/69: Pressured up on 5-1/2" casing to 500 psi for 30 min. Pulled and laid down tubing. Rigged up McCullough, perf. 8726-36' w/4/ft. (4" casing gun). Will start picking up plastic coated tubing this AM.



*Consolidated Oil & Gas, Inc.*

LINCOLN TOWER BUILDING  
1860 LINCOLN STREET  
DENVER, COLORADO 80203  
(303) 255-1751

May 9, 1969

State of Utah  
Oil and Gas Conservation Commission  
348 E. South Temple - Suite 301  
Salt Lake City, Utah 84111

Attention: Director

Gentlemen:

Deepening  
Consolidated Oil & Gas, Inc.  
Suniland State "A" No. 2  
SE/4 SW/4 Section 16  
Township 23 South, Range 17 <sup>EAST</sup> ~~West~~  
Salt Wash Field  
Grand County, Utah

Attached in triplicate is Oil and Gas Conservation Commission Form OGCC-1a requesting permission to reenter an abandoned well located in the Salt Wash Field, Grand County, Utah. The subject well was drilled by Pan American Petroleum Corporation in 1963. From records available, it appears that the well was originally designated as Pan American's Suniland State "A" Unit No. 1 with exact well location given as 660 feet from the south line and 2130 feet from the west line of Section 16. The well name was apparently changed at some later date to the Suniland State "A" No. 2. The well is designated as the Suniland State "A" No. 2 on the attached location plat. Pan American plugged this well in July of 1965.

Consolidated Oil & Gas, Inc. recently purchased the 352.7-acre Suniland State lease for the primary purpose of reentering the subject well and converting it to salt water disposal service. Prior to converting to salt water disposal service, it is desired to reevaluate the Mississippian Leadville formation. If

State of Utah - Oil and Gas Conservation Commission

Page 2

May 9, 1969

If commercial oil or gas production cannot be established, it is proposed to drill out the cement shoe and drill approximately 100 feet of open hole to approximate total depth of 8900 feet and dispose of produced salt water in the open hole section.

Also attached is a formal Application requesting permission to dispose of produced salt water into the Mississippian Leadville zone of the subject well along with a location plat of the area showing all known well locations and a Certificate indicating that copies of this Application to dispose of salt water have been submitted to all operators within a one-half mile radius of the proposed disposal well.

Yours very truly,

CONSOLIDATED OIL & GAS, INC.



E. J. Henderson  
Chief Engineer

EJH/ss

Enclosures

May 26, 1969

Mr. E. J. Henderson, Chief Engineer  
Consolidated Oil and Gas, Inc.  
Lincoln Tower Building  
1860 Lincoln Street  
Denver, Colorado 80203

Re: Consolidated Oil & Gas, Inc.  
Well No. Suniland State "A" No. 2  
SE/4 SW/4, Sec. 16, T. 23 S., R. 17 E.,  
Salt Wash Field  
Grand County, Utah

Gentlemen:

No objections having been received from the lessees of interest within a radius of one-half mile of the above mentioned well, approval is hereby granted, as provided for under Rule C-11, to deepen said well and convert it to a salt water disposal well if it proves to be non-productive. →

Very truly yours,

DIVISION OF OIL AND GAS CONSERVATION

CLEON B. FEIGHT  
DIRECTOR

CBF:cnp

cc: Rodney A. Smith, U. S. Geological Survey, Salt Lake City, Utah  
Texaco Inc., Petroleum Club Plaza, Farmington, New Mexico  
Barr Smedley, Box 1347, Salt Lake City, Utah  
Skyline Oil Co., 418 Atlas Building, Salt Lake City, Utah  
Richard P. Smoot, 847 East 4th South, Salt Lake City, Utah

July 15, 1969

Consolidated Oil & Gas, Inc.  
Lincoln Tower Building  
1860 Lincoln Street  
Denver, Colorado 80203

Re: Well No. Suniland State "A" #2  
Sec. 16, T. 23 S, R. 17 E,  
Grand County, Utah

Gentlemen:

With reference to your letter and application to convert the above mentioned well to a salt water disposal dated May 9, 1969.

It would be appreciated if you could keep this office advised of work being conducted by submitting a Report of Operations for the month of June, 1969. This will help to keep our records accurate, complete, and up-to-date.

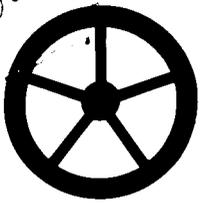
Thank you for your cooperation with regard to this request.

Sincerely,

DIVISION OF OIL & GAS CONSERVATION

SCHEREE DeROSE  
SECRETARY

:sd  
Enclosures



MI

Consolidated Oil & Gas, Inc.

PKB

LINCOLN TOWER BUILDING  
1860 LINCOLN STREET  
DENVER, COLORADO 80203  
(303) 255-1751

July 23, 1969

State of Utah  
Department of Natural Resources  
Division of Oil & Gas Conservation  
1588 West North Temple  
Salt Lake City, Utah 84116

Attention: Miss Scheree DeRose

Re: Well No. Suniland State "A" #2  
Section 16, T23S-R17E  
Grand County, Utah

Gentlemen:

In response to your letter dated July 15, 1969, please find enclosed Form OGCC-1B, summarizing the work performed with regard to converting the above well to salt water injection service. Also enclosed, for your further information, is a daily report of operations (June 7 - July 4, 1969) on this well.

If a formal completion report is required by the State of Utah, please send us a supply of appropriate forms for this purpose.

Very truly yours,

CONSOLIDATED OIL & GAS, INC.

F. W. Rabalais  
Petroleum Engineer

FWR/cc

Enclosures

p. s. Also enclosed are two copies  
of G-R Neutron Log

THE STATE OF UTAH  
DIVISION OF OIL AND GAS CONSERVATION

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL  GAS WELL  OTHER Report of Operations

2. NAME OF OPERATOR  
Consolidated Oil & Gas, Inc.

3. ADDRESS OF OPERATOR  
1860 Lincoln Street, Suite 1300, Denver, Colorado 80203

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
At surface  
660' FSL and 2130' FWL of Section 16

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

5. LEASE DESIGNATION AND SERIAL NO.  
ML-2113 (State)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
--

7. UNIT AGREEMENT NAME  
--

8. FARM OR LEASE NAME  
Suniland State "A"

9. WELL NO.  
2

10. FIELD AND POOL, OR WILDCAT  
Salt Wash

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
T23S-R17E  
SE/4 SW/4 Sec. 16, /

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Salt Water Injection</u>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Drilled out cement plugs at the following intervals: 30-200', 1903-2130', 5110-5130', and 5300-5377'. Cleaned out hole to 8747'. Tested casing to 500 psi -- OK. Perforated 8726-8736'. Acidized w/3000 gals. -- no show of oil. Acidized w/3000 gals. -- flowed inert gas and salt water at 1100 psi. Squeezed perforations 8726-8736' w/75 sx cement. Drilled out. Slight vacuum on well. Ran Gamma-Ray Neutron Log. Ran tubing, packer set at 8771'. Pumped into formation at 2 BPM at 1500 psi. Acidized w/5000 gals. 20% HCl. Placed well on salt water disposal service, injection approximately 1050 BPD.

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

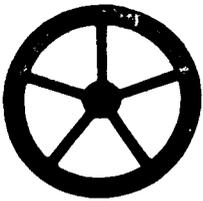
SIGNED F. W. Rabalais TITLE Petroleum Engineer DATE 7/23/69

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side



# Consolidated Oil & Gas, Inc.

LINCOLN TOWER BUILDING  
1860 LINCOLN STREET  
DENVER, COLORADO 80295  
(303) 861-5252

To: State of Utah  
Oil & Gas Conservation Commission  
Salt Lake City, Utah

## SUNDRY NOTICE & REPORT ON WELLS

Effective as of December 27, 1978, Consolidated Oil & Gas, Inc., 1860 Lincoln Street, Denver, Colorado 80295, has appointed as successor operator:

Richard P. Smoot  
847 East Fourth South  
Salt Lake City, Utah 84102

as to the following oil and gas or water disposal wells located in Grand County, Utah described as follows:

1. CF&I #22-16 well located in the SE/4NW/4, Section 16, T23S, R17E;
2. Government Smoot #3 well located in the NE/4SE/4, Section 17, T23S, R17E;
3. Suniland State A-2 water disposal well, located in the SE/4SW/4, Section 16, T23S, R17E.

Assignments of the leases on which these wells are located are being circulated to all parties and will be filed with the appropriate governmental agencies.

Executed this 30th day of January, 1979.

CONSOLIDATED OIL & GAS, INC.

By D. T. Stogner, Jr.  
Vice President

RRR:jks

6/22/81

Mike

6-24/81  
LO - Oil spill

I was sent at Quigley's site at approximately 11:15 a.m. Saturday, June 20, 1981. I waited for the pumps to come but he never showed up. However, there was no indication at all that any one was making any effort to be in compliance or remedy the violations you cited. In the garbage pit there were indications of moisture evaporation and some ground was still damp. I'm sure that salt water had been dumped into the garbage pit. Also, I noticed that most valves lacked seals as required.

I also went to Quigley's drilling rig. I talked to the Republic foreman and told them to tell Quigley, Paul, and the pumps to be in compliance immediately.

This is a minor detail, but, at the drilling rig there were no hard hats being worn. You was there a hard hat for visitors like me. This violated OSHA regulations.

The foreman from Republic complained that you went on top the rig Thursday without permission and that he tried to run you off the premises.

I informed this gentleman that better we ever do that again. By the police

power of the state and the drilling permit  
and agreements you or any one from the  
state were allowed access anywhere on the  
site. Also, by interpretation of the law  
there is no such thing as trespass on a  
well site. I doubt if they will trouble  
you again.

My suggestion to you is be  
firm and if you have to use a little  
weight to establish the things you want  
to accomplish on inspection.

With regard to Fruehly I  
would suggest the following:

(1) inform Cleon that Fruehly is  
still out of compliance;

(2) call U.S.C.S and ask that they  
immediately shut Fruehly down until he is in  
compliance;

(3) refuse to grant any more of  
Fruehly's permit applications until he is  
in compliance;

(4) let me work on finding penalties  
and remedies applicable to situations like this;

Covey D. Discal

Make:

Enforcement, penalties and follow through for situations like you encountered <sup>with</sup> the Quigley well are not specific nor clear.

It is my suggestion that a policy and applicable regulations be developed to cover it.

I can check tomorrow on the Quigley well for compliance. If not in compliance we can appropriate by cite them. On Monday we can begin working on a course of action and solution.

Sorry I can't be more specific.

Carolyn

Sept 3 order show same

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] DRY [ ] Other [ ]

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] Other [ ]

2. NAME OF OPERATOR MEGADON ENERGY CORPORATION

3. ADDRESS OF OPERATOR 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\* At surface NW. SW. SECTION 15-23S-17E, SLM. At top prod. interval reported below 1857' FR. S-LINE & 529' FR. W-LINE At total depth

14. PERMIT NO. 43-019-30752 DATE ISSUED 1-16-81

5. LEASE DESIGNATION AND SERIAL NO. U-

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME SALT WASH UNIT

8. FARM OR LEASE NAME FEDERAL

9. WELL NO. #1-15

10. FIELD AND POOL, OR WILDCAT SALT WASH

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA NW.SW. SEC. 15-23S-17E. SLM.

12. COUNTY OR PARISH GRAND 13. STATE UTAH

15. DATE SPUNDED 2-8-81 16. DATE T.D. REACHED 4-8-81 17. DATE COMPL. (Ready to prod.) 5-22-81 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* 4277' GRD; 4295' K.B. 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 8585' 21. PLUG, BACK T.D., MD & TVD 8562' 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS ROTARY

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\* 8500-44' = 1 sh/ft. MISSISSIPPIAN 8550-80' = 1 sh/ft. 25. WAS DIRECTIONAL SURVEY MADE

26. TYPE ELECTRIC AND OTHER LOGS RUN DUAL LATEROLOG, GAMMA-DENSITY-CNL 27. WAS WELL CORED NO

Table with 5 columns: CASING SIZE, WEIGHT, LB./FT., DEPTH SET (MD), HOLE SIZE, CEMENTING RECORD, AMOUNT PULLED. Includes rows for 9 5/8" and 5 1/2" casing sizes.

Table with 3 columns: LINER RECORD (SIZE, TOP (MD), BOTTOM (MD), SACKS CEMENT\*, SCREEN (MD)), TUBING RECORD (SIZE, DEPTH SET (MD), PACKER SET (MD)).

Table with 2 columns: PERFORATION RECORD (Interval, size and number) and ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. (DEPTH INTERVAL (MD), AMOUNT AND KIND OF MATERIAL USED). Includes 8500-44' w/1 sh/ft. and 8550-80' w/1 sh/ft.

Table with 8 columns: PRODUCTION (DATE FIRST PRODUCTION, PRODUCTION METHOD, WELL STATUS, DATE OF TEST, HOURS TESTED, CHOKER SIZE, PROD'N. FOR TEST PERIOD, OIL-BBL., GAS-MCF., WATER-BBL., GAS-OIL RATIO, FLOW. TUBING PRESS., CASING PRESSURE, CALCULATED 24-HOUR RATE, OIL-BBL., GAS-MCF., WATER-BBL., OIL GRAVITY-API (CORR.)).

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) VENTED DUE TO LOW BTU (268) TEST WITNESSED BY W. DON QUIGLEY

35. LIST OF ATTACHMENTS DRILLING HISTORY, COMPLETION HISTORY, SAMPLE LOG

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED \_\_\_\_\_ TITLE PRESIDENT DATE JUNE 30, 1981

\*(See Instructions and Spaces for Additional Data on Reverse Side)

# INSTRUCTIONS

**General:** This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

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

**Item 18:** Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

**Item 29:** "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool. **Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	GEOLOGIC MARKERS
WTRADA	SURFACE	310'	SANDSTONE		
ARMEL	310'	465'	SILTSTONE		
AVAJO	465'	910'	SANDSTONE		
AYENTA	910'	930'	SHALE, SILTSTONE, & SANDSTONE		
INGATE	930'	1405'	SANDSTONE		
SHINLE	1405'	1675'	SHALE, SILTSTONE, SANDSTONE		
SHINARUMP	1675'	1835'	SHALE, SANDSTONE, CONGL.		
SENKOPI	1835'	2390'	RED SILTSTONE AND SHALE		
AIBAB	2390'	2420'	SANDY LIMESTONE AND CHERT		
OCONINO	2420'	2985'	HARD QUARTZITIC SANDSTONE		
OLFCAMP	2985'	4180'	LIMESTONE		
ERMOSA	4180'	5100'	LIMESTONE, SHALE AND DOLOMITE		
PARADOX SALT	5100'	8230'	SALT, BLACK SHALE, AND ANHYDRITE		
PINKERTON TR	8230'	8410'	ANHYDRITE, DOLOMITE AND BLACK SHALE		
ISS-LEADVILLE	8410'	TD 8585'	LIMESTONE, CHALKY AND FRACTURED		

1546  
 1405  
 8300  
 135

*Copy*

Conservation Division  
2000 Administration Building  
1745 West 1700 South  
Salt Lake City, Utah 84104-3884

August 19, 1981

Megadon Energy Corporation  
57 W. South Temple, Suite 440  
Salt Lake City, Utha 84101

RECORDED  
AUG 20 1981

Re: Well #1-15, NW SW  
DIVISION OF MINING, T. 23S., R. 17E.  
OIL, GAS & MINING, Grand County, Utah  
Lease #U-31805

Gentlemen:

In reply to your letter dated August 10, 1981, concerning your request for a 15-day extension to dispose of your produced water into a unlined pit. It is our understanding that the State Oil and Gas has issued a cease and desist order on the present disposal method of the produced water from the referenced well. Since producing operations are presently suspended, the extension of time is not valid. This office is requiring that the requirements of Notice to Lessees-2B (Disposal of Produced Water) will be fulfilled prior to resumption of operations.

Please be advised that under (NTL-2B) "Disposal of Produced Water" you must submit an Application for Approval of your disposal methods to this office and all such disposal methods must be approved in writing by the District Oil and Gas Supervisor regardless of the physical location of the disposal facility.

A copy of (NTL-2B) is enclosed for assistance in filing your application.

If you have nay questions, please contact this office.

Sincerely,

(Orig. Sgd.) R. A. Henricks

*Sov* E. W. Guynn  
District Oil & Gas Supervisor

Enclosure:  
NTL-2B

cc: Utah State Oil & Gas  
BLM, Moab

Suite 440 / 57 West South Temple  
Salt Lake City, Utah 84101  
Bus. Tel: (801) 359-3575  
Res. Tel: (801) 295-1870



President: W. Don Quigley  
Vice President: Margaret Quigley  
Secretary: Sherrill L. Bateman

DISPOSITION OF PRODUCED WATER  
APPLICATION  
FOR  
SALT WASH #1-15 WELL  
NW.SW. SECTION 15-23S-17E.  
GRAND COUNTY, UTAH

LEASE #U-31805

DISPOSAL IN THE SUBSURFACE

1. NAME:

Pan American Pet #2 Sunniland-State-A  
SESW Section 16-23S-17E (660' n/s and 2130' e/w)  
State Lease

2. QUANTITY, SOURCES, WATER ANALYSIS:

See attached water analysis

3. INJECTION FORMATION AND INTERVAL:

Mississippian 8775-81 and 8783-8792

4. DISSOLVED SOLIDS:

Salt Water (See Analysis)

5. DEPTH AND AREAL EXTENT OF USABLE WATER:

Acquifers occur from 100-2800' and contain fresh water

6. SIZE, WEIGHT, GRADE & CSG POINTS:

8 5/8" @ 1203' w/550 sks

5 1/2" @ 8783 w/1250 sks

This well has already been approved for disposal well  
and has been used for 20 years.

7. TOTAL DEPTH OF WELL

8792' T.D.

**RECEIVED**

AUG 30 1981

DIVISION OF  
OIL, GAS & MINING

APPLICATION FOR PRODUCED WATER DISPOSAL  
MEGADON ENERGY CORPORATION SW #1-15 WELL  
AUGUST 20, 1981

8. INJECTION METHOD USED FOR COMPLETING WELL:

The Pan Am State #2A well has been approved and used as a water injection well for 20 years

9. MONITORING THE SYSTEM:

No plans are contemplated for this. Operation for injection well will be same as has been for 20 years.

The produced water from Megadon Energy's Salt Wash #1-15 well is the same and originating from the same zone as the injection well.

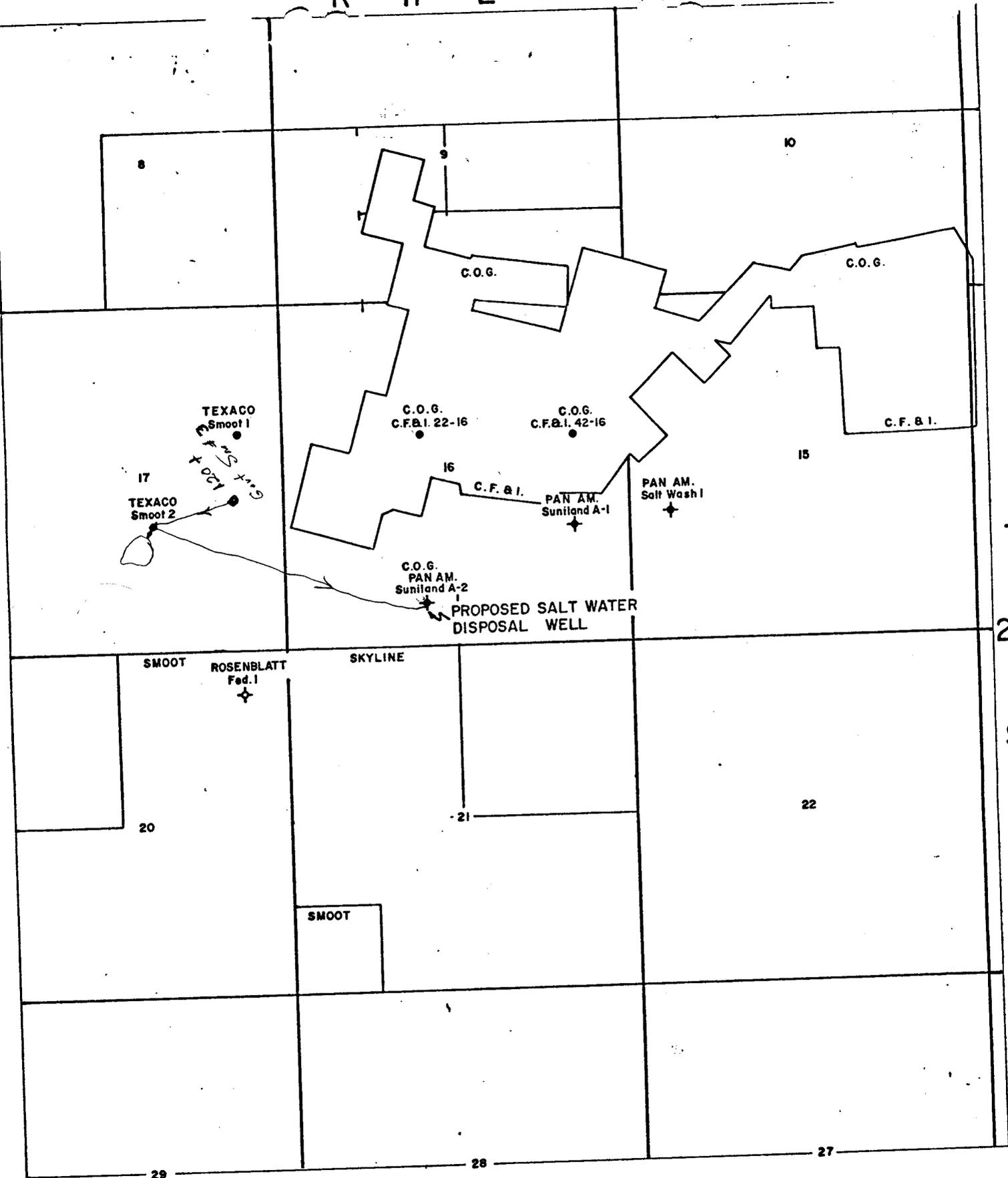
10. PROPOSED LINES TO BE USED:

It is planned to lay a 2" line on ground with check valve at the injection well head. A triplex pump will be installed for this at the Salt Wash #1-15 well. Approximately 300' of line will be on Federal land.

The injection well is currently being used by the Salt Wash Oil Co. who are producing from the same Mississippian formation as has been completed in the SW #1-15 well.



R 17 E



T  
23  
S

- ✦ DRY HOLE
- OIL WELL
- ⚡ SALT WTR. DISPOSAL WELL

# SALT WASH FIELD

## GRAND COUNTY, UTAH

*see map*



# MEGADON ENTERPRISES, INC.

309 Guaranty Bank Building • 817 17th St. • Denver, Colorado 80202 • (303) 573-0093  
57 West South Temple • Salt Lake City, Utah 84101 • (801) 359-3575

September 11, 1981

Mr. Ed Guynn  
U. S. Geological Survey  
2000 Administrative Bldg.  
1745 West 1700 South  
Salt Lake City, Utah 84104

Re: Disposition of produced  
water in #2, Sec. 16-23S-17E.  
Grand County, Utah

Dear Sir:

I apologize for neglecting to enclose the water analysis with our application for disposal of produced water from Salt Wash #1-15 well. Therefore, I am enclosing the analysis presently.

We expect to produce or inject approximately 200 bbls of water per day. According to our reports, it is our understanding that the injection pressures are 1250#. More exact information on this pressure can be obtained from Salt Wash Energy Corporation (Mr. Richard Smoot).

We would greatly appreciate your rapid approval of our application for disposal of produced water.

Sincerely yours,

Sherrill L. Bateman  
Secretary/Treasurer

Enclosure

cc: Oil & Gas Division  
Mr. Mike Minder

A2

pkc 8700'

console tested 8726-36' 6/14/69

- No show of oil + slight gas show  
- acidized → inert gas w/ slight trace  
of oil.

- squeezed parts w/ 75#sx

- top cut @ 8594'

- Drilled 4 1/2" through cut. plug

- drilled to 8900'

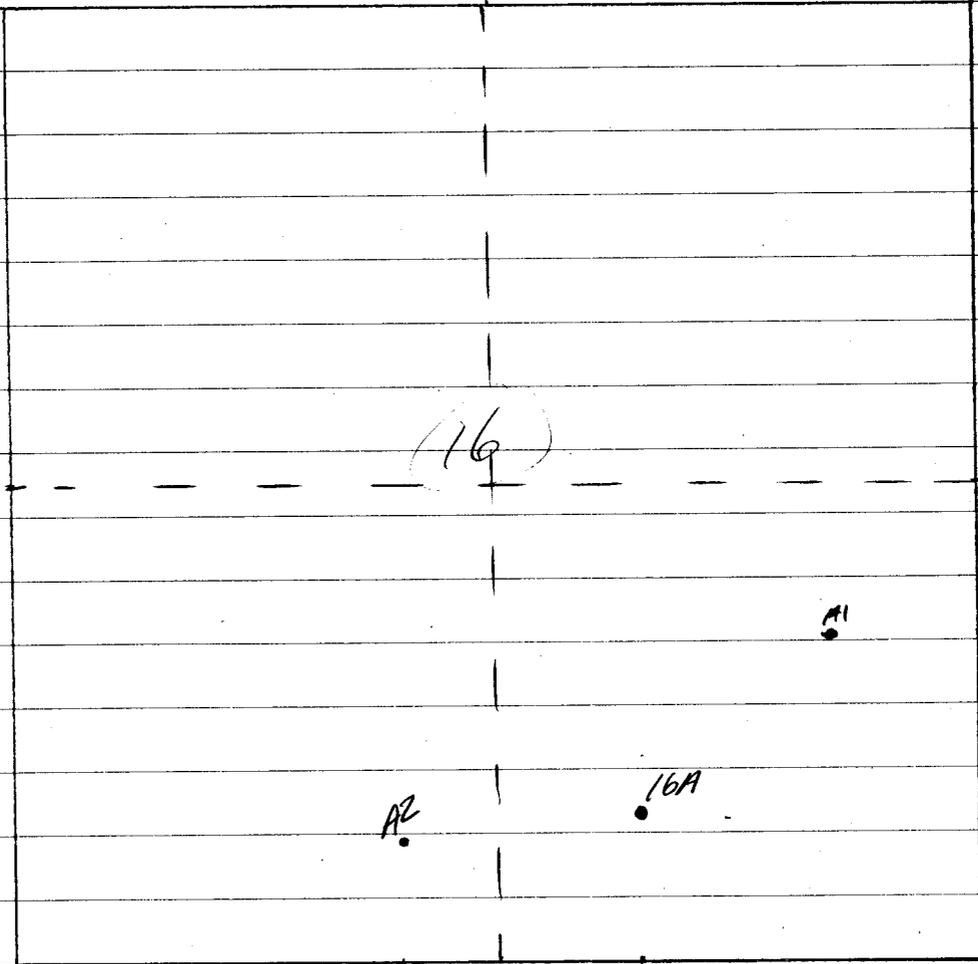
- pkc set @ 8771'

Previous TD 8792'

---

16A - spud 5/24/81  
compl. 9/17/81

T23SR17E



A2

16A

A1

1-15

W200

21

SWSE

A2-16A ~ 1320' apart  
 16A-1-15 ~ 2619' "

10,567 ft

16A-43-019-30783

1-15 43-019-30782

16A

KB 4418

31'

8416'

19'

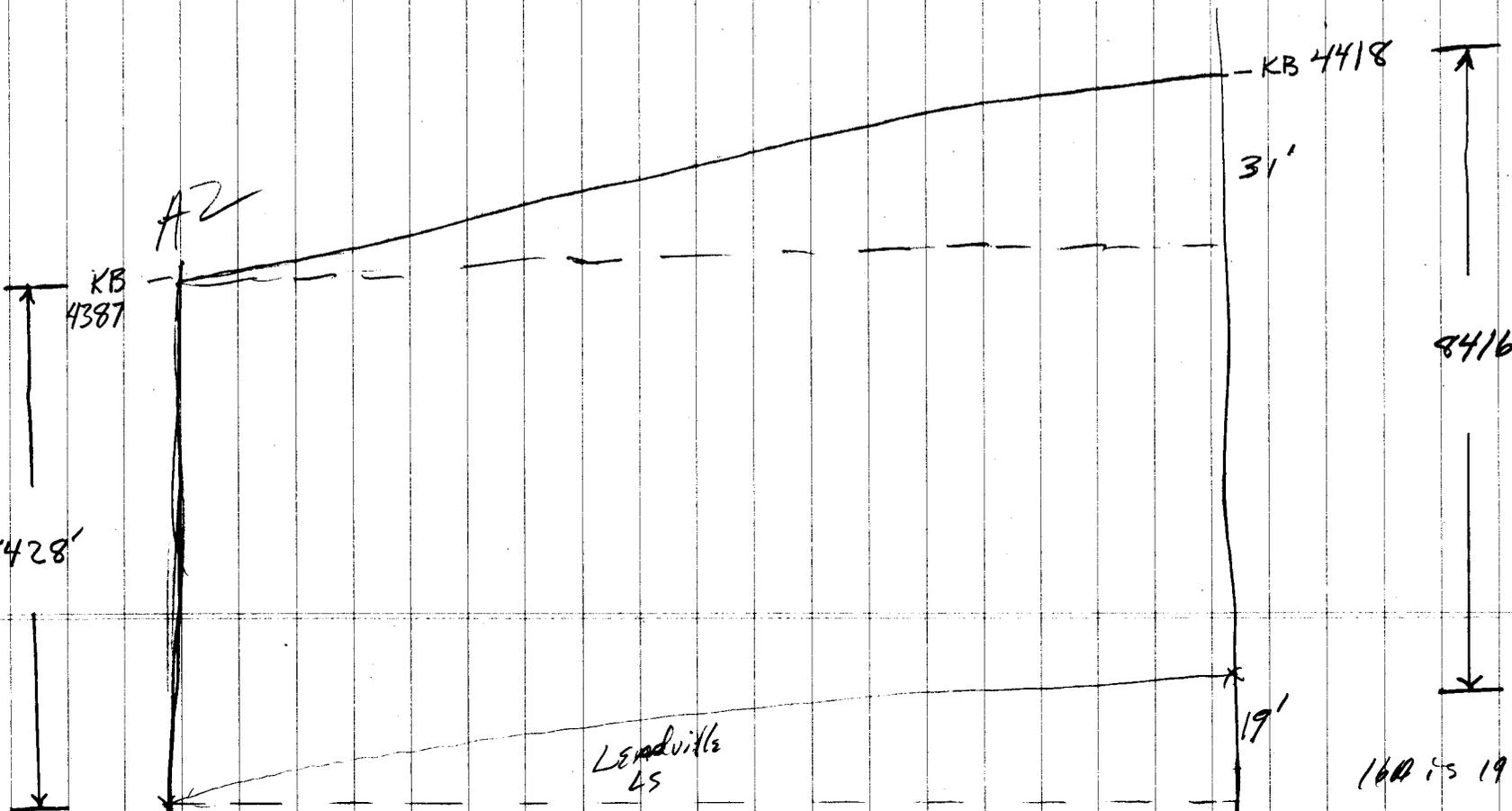
16A is 19' up structure

A2

KB 4387

8428'

Leadville  
45

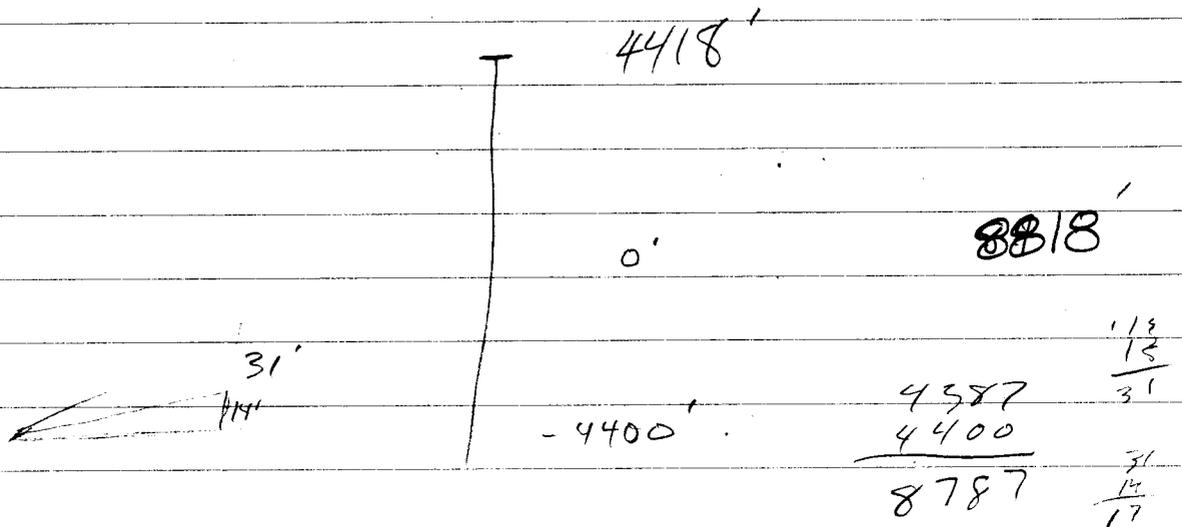


~~1-15~~ - 8500 - 8549 + 8550 - 8580  
~~1-15~~ - 8715 - 8750 + 8670 - 8690

Suniland #2 -

Pan Am #1 - 8822 - 8824

<u>Wall</u>	<u>KB elev.</u>	<u>br</u>	<u>ow</u>
16A	4418	4403	8818
A2	4388 logs from 4387	4373	8787
1-15	4295	4277	8695



16A is 17' up structure from A2

Suite 440 / 57 West South Temple  
Salt Lake City, Utah 84101  
Bus. Tel: (801) 359-3575  
Res. Tel: (801) 295-1870



President: W. Don Quigley  
Vice President: Margaret Quigley  
Secretary: Sherrill L. Bateman

October 5, 1981  
**RECEIVED**

DIVISION OF  
OIL, GAS & MINING

Mr. Richard Smoot  
847 East 4th South  
Salt Lake City, Utah 84102

Dear Dick:

You have been afforded an unusual privilege for several years in the use of the Pan American Pet #2 Sunniland State-A Well located in Section 16, T 23S, R 17E. by using it as an injection well for salt water disposal. Use of this well as a disposal well has been made without any prior arrangements with the Owners and Lessee of the lease on which the well is located. Ordinarily, a prudent Operator would have made some offer as a simple courtesy to the Lessee for this privilege.

Now the situation has changed due to new regulations employed by the State Oil & Gas Commission requiring recertification as a disposal well. Accordingly, we are required to have a Tracer Element Survey made to determine where the injected water is going and a survey of the casing and tubing condition to determine its suitability for continued use. We are making arrangements for this work to be accomplished in the next few days.

Because of the change in regulations and the expense that may be necessary for the certifying this well, we are asking that you pay  $\frac{1}{2}$  of this expense plus in the future a charge of \$500 per month will be required for your continued use of this well as a disposal for your salt water. This monthly payment is required as of October 1, 1981. Failure to pay the rental and  $\frac{1}{2}$  the service charge for the certification work will require cancellation of your privilege for using this well as a disposal well.

Sincerely,

*W. Don Quigley*  
W. Don Quigley  
President

WDQ:sb

cc: Oil & Gas Commission  
U. S. Geological Survey

Suite 440 / 57 West South Temple  
Salt Lake City, Utah 84101  
Bus. Tel: (801) 359-3575  
Res. Tel: (801) 295-1870

*SUNILAND A-2*  
President: W. Don Quigley  
Vice President: Margaret Quigley  
Secretary: Sherrill L. Bateman



**SO7**  
October 1981

Minoco  
Cumco Resources Ltd  
N P Energy Corporation

Dear Sirs:

The enclosed drawings represent a schematic diagram of the proposed production equipment for the Salt Wash #1-15 Well located in Section 15, T 23S, R 17E, Grand County, Utah. This equipment appears to be the least expensive and most suitable to handle the problems involved in the high water-salt content produced in the subject well. Two double-phase separators have been employed to thoroughly separate the oil from the water. Because of the high volume of production and high content of water in the oil (40-60%), it was felt that one two-phase separator would not be adequate for complete separation.

The recertification of the disposal well planned for disposal of the salt water has not been approved by the State to date, but a hearing is scheduled for October 22, 1981 and we should have approval shortly thereafter.

Sincerely,

*W. Don Quigley*  
W. Don Quigley  
President

Enclosure

cc: U. S. Geological Survey

Oil & Gas Commission  
Dept of Natural Resources

**RECEIVED**  
OCT 08 1981

DIVISION OF  
OIL, GAS & MINING

S.W. ENERGY CORPORATION  
847 EAST FOURTH SOUTH  
SALT LAKE CITY, UTAH 84101  
TELEPHONE (801) 532-8864

RECEIVED  
OCT 09 1981

DIVISION OF  
OIL, GAS & MINING

October 8, 1981

Mr. Don Quigley, President  
Megadon Energy Corporation  
Suite 440  
57 West South Temple  
Salt Lake City, Utah 84101

Re: Pan American Petroleum No. 2 Suniland  
State A-2 Water Disposal Well - SE $\frac{1}{2}$ SW $\frac{1}{2}$ ,  
Section 16, Township 23 South, Range  
17 East, S.L.M.

Dear Mr. Quigley:

We have your letter dated October 5, 1981.

The Division of State Lands, prior to September 12, 1979, granted the exclusive rights to the above-designated water disposal well to Consolidated Oil & Gas, Inc. Prior to June 11, 1979, the subject well was certified as a single-purpose well, i.e., water disposal by both the Division of State Lands and the Division of Oil Conservation. On June 11, 1979, the Director of the Division of State Lands approved an assignment of the said disposal well to the undersigned from Consolidated Oil & Gas, Inc., including all rights, privileges and obligations pertaining to the said well. Concurrently therewith, rights to all equipment, including the well head and related equipment, were assigned to the undersigned. These matters all appear of public record.

It is our position, which we think is valid, that we have the exclusive rights to the use of the said disposal well for water disposal. As you know, we and our predecessors in title have been making use of the well for that purpose continuously for over 20 years. It was not necessary and is not necessary that any consent be obtained or arrangements made with other owners or lessees because the rights that were granted by the State of Utah clearly carried with them the right to use such parts of the surface of Section 16, including access as reasonably necessary for use of the well as a water disposal well. Your letter dated October 5, 1981 is the first suggestion that has been made by anyone at any time questioning the right to the said use of the disposal well. As I am sure you know, our predecessors in title developed the said disposal well at great cost.

Mr. Don Quigley, President  
Megadon Energy Corporation  
October 8, 1981  
Page Two

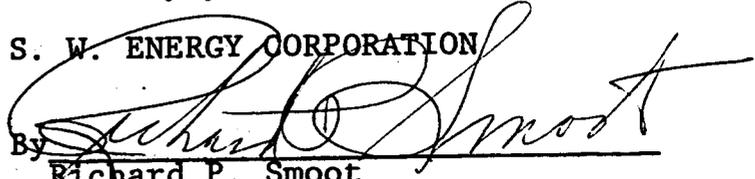
We are aware that new regulations are being finalized with respect to recertification of disposal wells. However, it is our understanding that the proposed regulations are not finalized. The same have not been published and notice has not been given with respect to procedures with respect to the same. The undersigned will, at an appropriate time, comply with applicable regulations dealing with questions of recertification. However, any request for recertification will be consistent with our present ownership of the disposal well. Whether a tracer element survey will be required under the new regulations and in connection with any recertification is something on which we will satisfy ourselves as soon as the regulations have been finalized and studied.

Inasmuch as you have no ownership interest in the said disposal well, matters mentioned in your letter are clearly inapplicable. You have no right whatever to make use of or to tamper with the said disposal well or any equipment, including well head, related thereto. You have no right to conduct any survey on either the said disposal well or any of the equipment attached thereto. You have no right to require that we pay you any sum of money as a charge for continued use of the well.

This will constitute formal notice that any attempted use by you of the said disposal well or tampering with the equipment thereon will be viewed as an unlawful violation of our rights and action will be taken with respect thereto.

Sincerely yours,

S. W. ENERGY CORPORATION

By   
Richard P. Smoot

RPS:do

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

cc: ✓ Mr. Cleon B. Feight, Director  
Division of Oil, Gas, and Mining  
1588 West North Temple  
Salt Lake City, Utah 84116

Mr. Donald G. Prince  
Division of State Lands  
105 State Capitol Building  
Salt Lake City, Utah 84114

Mr. Don Quigley (copy hand delivered)

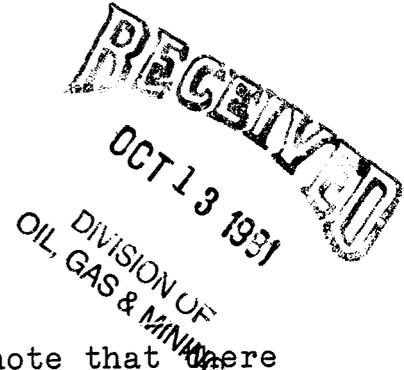
Suite 440 / 57 West South Temple  
Salt Lake City, Utah 84101  
Bus. Tel: (801) 359-3575  
Res. Tel: (801) 295-1870

President: W. Don Quigley  
Vice President: Margaret Quigley  
Secretary: Sherrill L. Bateman



October 9, 1981

Mr. D. G. Prince  
Division of State Lands  
Room 411  
231 East 400 South  
Salt Lake City, Utah 84111



Dear Gayle:

By copies of the enclosed letters, you will note that there is a conflict regarding the use of an old Pan American well in the Salt Wash Field as a disposal well for excess salt water produced from producing wells.

According to Mr. Smoot, a decision and assignment of the subject well was made to him from Consolidated Oil & Gas who may have prior assignment from Pan American for the use of this well for disposal purposes.

There appears to be a legal question as to whether or not an oil well on an oil and gas lease can be segregated from the lease and assigned to a different ownership. It is therefore requested that an opinion be obtained from the Attorney General as to the legality of such a transfer and such an assignment.

A hearing before the Oil & Gas Commission on this matter is scheduled for October 22, 1981 and an opinion prior to this date would be helpful and have a bearing on the Commission's ruling.

Sincerely yours,

*W. Don Quigley*  
W. Don Quigley  
President

Enclosure

Suite 440 / 57 West South Temple  
Salt Lake City, Utah 84101  
Bus. Tel: (801) 359-3575  
Res. Tel: (801) 295-1870

President: W. Don Quigley  
Vice President: Margaret Quigley  
Secretary: Sherrill L. Bateman



October 30, 1981

Hugh Garner & Associates  
Attorneys At Law  
1100 Kennecott Bldg.  
Salt Lake City, Utah 84111

Re: Water Disposal & Oil  
Production on State  
Section 16-23S-17E.

Dear Mr. Garner:

As discussed verbally, I am concerned (as are my interest participants) about the damage to the oil production from wells on Section 16-23S-17E, which is possibly being caused by the disposal of salt water injected into the producing Mississippian-Leadville formation. A definite change in the oil-water contact zone has occurred since the initial development of the Salt Wash field.

Initially, the oil water contact in the field was at a datum of -4400 S.L. A recent well, the Salt Wash #1-16A, drilled by Megadon, was initially perforated at a depth of 8780' to 8806' (Datum of -4388' S.L.). It was found with several days of testing that this zone had nothing but salt water and low pressures. Consequently, these perforations were plugged off, and other perfs were placed at 8670' to 8750' (Datum of -4332'). These perfs were given an acid treatment and when tested produced a large quantity of fluid (400 bbls per day on a 12/64" choke), of which 99% was salt water and only 1% oil. The pressure, however, was high (2700# surface pressure and holding 1700# while flowing on a 12/64" choke). It is thus apparent that these latter perfs are communicating with the main reservoir; but that the oil-water contact zone has been raised by 70 feet or more. This could be due to the salt water disposal being injected into the Pan Am-Sunni-land State #A-2 well which is located approximately  $\frac{1}{4}$  mile SW of the #1-16A well. Because of this possible damage caused by the injected salt water, it is considered to be in the best interests of the State and field operators as well, to cease disposal of the salt water in this well until some tests can be made to determine the point of injection, condition of the tubing, and other items which may be pertinent.

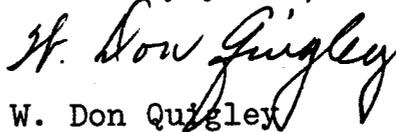
The salt water being injected into the production zone in the A-2 well is originating on Federal lands adjacent to the State Section

Water Disposal - Section 16-23S-17E.  
Page 2

16 and could be seriously effecting the potential production from this section. The A-2 well has been used for salt water disposal for many years (approximately 15 years) and has never been checked or tested (as far as the Oil & Gas Commission records show) since the original conversion of the well to water disposal. Considerable change could have ensued in the passing years.

It is hereby requested that such steps as are prudent and legal be taken to curtail the present water disposal in the Salt Wash Field, until further investigation and arrangements can be made.

Sincerely yours,



W. Don Quigley  
President

cc: Skyline Oil Co.  
Minoco  
Cumo Resources Ltd.  
N P Energy Corp.  
East Utah Mining Co.  
Pool Energy Corp.

LAW OFFICES OF  
**HUGH C. GARNER & ASSOCIATES**

HUGH C. GARNER  
NICHOLAS F. MCKEAN  
JAMES W. CARTER  
ROSEMARY J. BELESS

SUITE 1100 KENNECOTT BUILDING  
SALT LAKE CITY, UTAH 84133

(801) 532-5660

November 9, 1981

Mr. Max Wall  
Division of State Lands  
231 East 400 South  
Salt Lake City, Utah 84111

HAND DELIVERED

Re: Application of S&W Energy Corporation  
for right-of-way  
Section 16, Township 23 South, Range 17 East, S.L.M.

Dear Mr. Wall:

Our offices represent Megadon Energy Corporation, the operator of Utah State Lease No. ML-33348, Section 16, Township 23 South, Range 17 East, S.L.M. Recently it came to our attention that S. W. Energy Corporation has filed a right-of-way application in connection with its use of a salt water disposal well known as Suniland State A-2 and located on State Lease No. ML-33348. Megadon Energy Corporation, through our offices, and by this letter, formally opposes the right-of-way application.

As indicated in the letter of Richard P. Smoot, dated October 23, 1981, the well was originally drilled by Pan American Petroleum Corporation under a State Oil and Gas Lease (ML-2113). Production was not obtained and the well was plugged in 1965. Later Consolidated Oil and Gas, Inc., became a lessee under State Lease ML-23506 for Section 16. Application was made by Consolidated to the Utah State Oil and Gas Conservation Commission for permission to deepen the well and convert it to a salt water disposal well. The application was approved on May 19, 1969.

The State Oil and Gas Lease held by Consolidated Oil and Gas, Inc. was terminated in 1976. Thereafter another lease covering Section 16, and designated ML-33348, was issued to Skyline Oil Company. Megadon Energy Corporation became the operator of wells under that lease. Consolidated Oil and Gas, which then held no interest in the leased lands conveyed its interest in the Suniland State A-2 well to Richard P. Smoot on December 22, 1978. This assignment was approved by the Division of State Lands.

Megadon Energy Corporation's opposition to the right-of-way application is founded upon the legal principle that the assignment of any interests in a well located on real property to which the assignor has no present interest is only an assignment of the equipment and material used in the well. Since the assignor has no interest in the

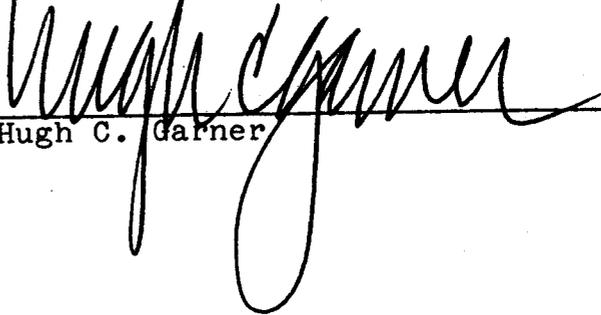
real property, it cannot convey the right to use the well. Conversely, it is evidence that it cannot convey the right to inject waste water from other property into the ground, since this would constitute trespass even by the assignor. Under his assignment, Richard P. Smoot only has the right to salvage the equipment. Therefore his use of the well to dispose of waste water from a federal lease located on other property is improper and beyond any interest which the assignor held or would have a right to convey to him.

Megadon Energy Corporation opposes the right-of-way application on a second ground. Recent tests by Megadon on its wells located on the Utah State Lease No. ML-33348 indicates that there has been an intrusion of salt water into what was once oil bearing strata. This intrusion could very well be the result of the injection of water through the disposal well Suniland State A-2 by S. W. Energy Corporation. Enclosed is a copy of a letter from Megadon Energy Corporation to our offices documenting technical data supporting this conclusion. Also enclosed is an application to the Utah State Board of Oil, Gas and Mining for an Order to Show Cause why the Suniland State A-2 well should not be plugged so as to prevent the intrusion of water into the oil bearing strata.

For the reasons set out above, Megadon Energy Corporation submits this letter in opposition to S. W. Energy Corporation's application for right-of-way to the Suniland State A-2 well across Utah State Lease ML-33348; also, in the alternative, opposes the application of S. W. Energy Corporation to amend the existing right-of-way No. 781 to include a water line to the Suniland State A-2 well.

Respectfully submitted,

HUGH C. GARNER & ASSOCIATES

By:   
Hugh C. Garner

NFM/ccm

Enclosures

CC: Richard P. Smoot  
Michael Keller  
Donald G. Prince  
W. Don Quigley

Exhibit I  
Megadon



**DIVISION OF STATE LANDS & FORESTRY  
DEPARTMENT OF NATURAL RESOURCES**

ROOM 411 EMPIRE BUILDING  
231 EAST 400 SOUTH  
SALT LAKE CITY, UTAH 84111  
(801) 533-5381  
November 19, 1981

**Scott M. Matheson**  
Governor  
**Gordon E. Harmsten**  
Executive Director  
Dept. of Natural Resources  
**William K. Dinehart**  
Director

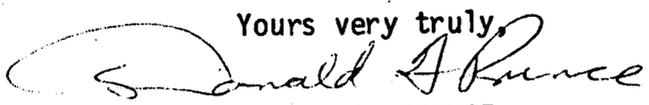
JAN 8 1982  
CS

Megadon Energy Corporation  
C/O Hugh C. Garner and Associates  
Suite 1100 Kennecott Building  
Salt Lake City, UT  
84133

Gentlemen:

As you are aware, S.W. Energy Corporation has filed a right-of-way application in connection with its use of a well drilled on State lands in Section 16, T23S, R17E, SLM., for disposal of salt water from producing leases in the salt wash field. Megadon Energy Corporation, as lessee under Oil, Gas, and Hydrocarbon Lease ML 33348 covering these same lands has filed a protest to the issuance of the requested right-of-way. It is our understanding that Megadon Energy Corporation claims that the operations of this salt water deposits will in some way be effecting oil production from a well which they have drilled under ML 33348. We are neither agreeing with nor disputing Megadon's contention, but it is the feeling of this office that both parties to this dispute must get together and resolve this problem. As you are aware, when the original lease on this land, ML 2113, was terminated all properties on this lease, including the well, reverted to the State of Utah. As near as our records indicate, there was never any formal authority given to Consolidated Oil and Gas, Inc., who was the subsequent lessee on the same lands under ML 23506, to re-enter this well and to begin using it as a salt wash deposit well, but since this use has been established and is beneficial to all parties in the area, it is not the intention of this office to request that the well be plugged and we feel that any required tests to determine whether the injection of salt water is interfering with production from ML 33348 should be conducted by both parties as soon as possible.

I would appreciate it if I could receive your feelings on this matter so that we may get both parties together to determine what course of action should be taken. Thank you for your consideration of this matter.

Yours very truly,  
  
DONALD G. PRINCE  
ASSISTANT DIRECTOR

DGP/bp

CC: H.J. Michael Keller  
C/O Van Cott, Bagley, Cornwall & McCarthy  
Suite 1600  
50 South Main Street  
Salt Lake City, UT 84144

**BOARD MEMBERS**

Jack Sawyers, Chairman    Dr. William D. Talbot    Warren C. Haycock    Hollis Hullinger    Chandler St. John    Paul S. Rattle    George Buzianis  
Southwestern    ex-officio    Northern    Eastern Area    Forestry & Fire    Southeastern    Central



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

December 4, 1981

Mr. Richard Smoot  
847 East 400 South  
Salt Lake City, UT 84102

Dear Mr. Smoot,

As you are aware, the Division recently adopted the UIC Rules, Rule I-1 through I-9. The Rules are attached for your convenience, pursuant to Rule I-8(b)(4), the approval order for injection into Suniland State A-2, T. 23S, R. 17E, could be modified, vacated or amended as an action has been commenced under the provisions of 40-6-8(f) U.C.A., 1953.

You indicated that "Consolidated" pulled the tubing and refurbished the well in 1977. The Division requests that you provide all of the information available concerning the integrity of the injection well, since the UIC section has the responsibility for disposal by injection well field brines. Additionally, the complaint is concerned whether this injection may be jeopardizing an existing producing oil and gas zone. You should provide the Division with any information or analysis that would repudiate this claim.

Additionally, this may be a good opportunity for you to fulfill the reporting requirements of Rule I-4 and the testing requirements of Rule I-6(b).

Truly yours,

DIVISION OF OIL, GAS AND MINING

A handwritten signature in black ink, appearing to read 'Leland C. Spencer', written over the typed name.

LELAND C. SPENCER  
UIC ENGINEER

LCS/tp

BEFORE THE BOARD OF OIL, GAS AND MINING  
DEPARTMENT OF NATURAL RESOURCES IN AND FOR THE STATE OF UTAH

\* \* \* \* \*

In the Matter of the	)	
Application of MEGADON ENERGY CORPORATION for a Determination as to the Status of the Suniland State A-2 Water Disposal Well, Located in the SE1/4 SW1/4 of Section 16, Township 23 South, Range 17 East, SLM, Grand County, Utah	)	FINDINGS OF FACTS, AND ORDER
	)	Cause No. WD-102(B)

\* \* \* \* \*

Pursuant to the Application of Megadon Energy Corporation, this cause came on for hearing before the Board of Oil, Gas and Mining, at 10:00 a.m. on Thursday, December 17, 1981, in the State Office Building Auditorium, Room 100, Salt Lake City, Utah, and was reconvened on Thursday, February 25, 1982, at 10:00 a.m. in Room 303 of the State Capitol Building, Salt Lake City, Utah. The following Board Members were present on December 17, 1981:

- Charles R. Henderson, Chairman
- E. Steele McIntyre
- Margaret Bird
- Herm Olsen
- Robert R. Norman
- John L. Bell

The following Board Members were present on February 25, 1982:

- Charles R. Henderson, Chairman
- Margaret Bird
- John L. Bell
- Herm Olsen
- Edward Beck
- Robert R. Norman

Appearances were made as follows:

For Megadon Energy Corporation: Hugh C. Garner, Esq.  
Salt Lake City, Utah

For S. W. Energy Corporation: H. Michael Keller, Esq.  
and Richard P. Smoot Salt Lake City, Utah

NOW THEREFORE, The Board, having considered the statements and evidence at said hearing, and being fully advised in the premises, now makes and enters the following:

#### FINDINGS OF FACT

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and in the time required by law and by the rules and regulations of the Board.

2. The Board has jurisdiction over the matter covered by the Application and over all parties interested therein, and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. The Suniland State A-2 well is located on lands in the SE1/4 SW1/4 of Section 16, Township 23 South, Range 17 East, SLM, Grand County, Utah, these lands are covered by Utah State Oil, Gas and Hydrocarbon Lease ML-33348, which is held of record by Skyline Oil Company and operated by Megadon Energy Corporation ("Megadon").

4. The Suniland State A-2 well was originally approved for use as a salt water disposal well on May 17, 1969, by the then Utah State Oil and Gas Conservation Commission, with Consolidated Oil and Gas, Inc. as the operator. Pursuant to said approval, the well was properly reworked and completed as a salt water disposal well.

5. On December 22, 1978, Consolidated Oil and Gas, Inc., and others, assigned their interests in the Suniland State A-2 well to Richard P. Smoot, and such assignment was approved by

the Utah State Division of State Lands on September 12, 1979.

Richard P. Smoot is the designated operator of the well.

6. On October 22, 1981, a hearing was held before this Board, upon an application of Megadon (Cause No. WD-102) requesting an order authorizing Megadon to use the Suniland State A-2 well for disposal of salt water. In that Cause, this Board denied the application of Megadon.

7. In its present Application, Megadon has moved that this Board issue an Order to Show Cause why the Suniland State A-2 well should not be reworked or plugged and abandoned in such manner as to prevent the intrusion of salt water into oil and gas strata.

8. Following the hearing on December 17, 1981, this Board ordered that within two weeks following receipt of notice, Richard P. Smoot was to conduct a casing pressure test on the Suniland State A-2 well to determine whether there was leakage. It was further ordered that if the test showed no leakage, Smoot could continue injection and if it showed leakage, the well was to be shut-in.

9. On January 11, 1982, Richard P. Smoot caused to be filed with the Utah Division of Oil, Gas and Mining the results of a casing pressure test conducted on the Suniland State A-2 disposal well on January 6, 1982 pursuant to the above order of this Board and the procedures set forth in Rule I-6(B)(1) of the Rules and Regulations of the Board governing underground injection control for Class II injection wells. The results of said casing pressure test indicated that the equipment in the well, including the tubing, casing and packer were in proper operating condition and not leaking.

10. On February 25, 1982, this Board reconvened the hearing in this Cause to entertain argument of counsel as to the sufficiency of the casing pressure test conducted by

Richard P. Smoot pursuant to the prior order of this Board.

ORDER

IT IS THEREFORE ORDERED:

1. That the Application of Megadon is hereby denied.
2. That the results of the casing pressure test on the Suniland State A-2 disposal well as reported by Richard P. Smoot and filed with the Board and Division are accepted as being in compliance with and in satisfaction of the prior order of this Board and in compliance with the Rules and Regulations of this Board governing underground injection control.
3. That Richard P. Smoot and S. W. Energy Corporation are allowed to continue injection of salt water into the Suniland State A-2 disposal well. Pursuant to the Rules and Regulations of this Board including those relating specifically to underground injection control for Class II wells.
4. That Megadon is hereby authorized, but not required, to have a tracer element survey of the Suniland State A-2 well conducted by a qualified third party mutually selected by Megadon, Richard P. Smoot, and the Division. Any such survey shall be conducted at Megadon's sole expense, risk and liability (including liability for damage or injury to persons or property), and any contract entered into by Megadon for the performance of a survey shall so state and shall expressly disclaim any responsibility of Richard P. Smoot, S. W. Energy, or the State of Utah or its agencies for payment for the work performed and materials supplied thereunder and expressly waive any rights of the party performing the service to claim, by way of lien or otherwise, any interest or right in property owned by Richard P. Smoot or S. W. Energy. Any such survey shall be conducted under the supervision of a qualified representative of the Division and in the presence of Richard P. Smoot. The

results of any such survey shall be submitted to the Division and Board for their review. If the Board determines on the basis of such results that the well has a mechanical failure or other downhole problem that is causing the well to inject fluid outside the permitted or authorized injection zone, then the injection of salt water into the well shall be ceased until such time as the problem is corrected.

DATED this 25<sup>th</sup> day of February, 1982.

State of Utah  
Department of Natural Resources  
Board of Oil, Gas and Mining

Charles R. Henderson  
Charles R. Henderson

E. Steele McIntyre  
E. Steele McIntyre

Margaret R. Bird  
Margaret Bird

Herm Olsen  
Herm Olsen

Robert R. Norman  
Robert R. Norman

John L. Bell  
John L. Bell

Edward Beck  
Edward Beck

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE\*  
(with instructions on reverse side)

<p align="center"><b>SUNDRY NOTICES AND REPORTS ON WELLS</b></p> <p align="center">(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</p>		5. LEASE DESIGNATION AND SERIAL NO. <u>ML 2113 (State)</u>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
		7. UNIT AGREEMENT NAME
		8. FARM OR LEASE NAME <u>Suniland State "A"</u>
1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> <u>Disposal Well</u>	2. NAME OF OPERATOR <u>Richard P. Smoot</u>	9. WELL NO. <u>2</u>
3. ADDRESS OF OPERATOR <u>847 East 400 South, Salt Lake City, Utah 84102</u>	4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) <u>At surface</u>  <u>660' FSL and 2130' FWL of Section 16</u>	10. FIELD AND POOL, OR WILDCAT <u>Salt Wash</u>
14. PERMIT NO.	15. ELEVATIONS (Show whether OF, RT, GR, etc.)	11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA <u>SE 1/4 SW 1/4 Sec. 16, T23S, R17E, SLM</u>
		12. COUNTY OR PARISH <u>Grand</u>
		13. STATE <u>Utah</u>

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Testing of Casing</u>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).\*

6 January 1982 - Casing side was pressure tested to 500 lbs. PSI for one hour.

Copy of service ticket attached.

**RECEIVED**  
MAY 17 1982

DIVISION OF  
OIL, GAS & MINING

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

SIGNED Richard P. Smoot TITLE Operator DATE 24 February 1982

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:



# SERVICE TICKET

Invoiced   
TRUCK NO. H10-30

RAINBOW MOUNTAIN MOBILE WASH, Inc.  
404 Noland Ave., P.O. Box 3952  
Grand Junction, Colorado 81502  
(303) 241-1535

Customer S.W. Energy  
Billing  
Address 847 EAST 4TH SOUTH  
SALT LAKE CITY, UTAH 84102

Location SUNNILAND A-2

Phone

Date 1/6/82

WASH	WAX	PAINT	DEGREASE	ACIDIZE	DE-ICE	<u>P.S.</u> ✓	CAB	FRAME	TRAILER	MOTOR	BODY	INTERIOR
------	-----	-------	----------	---------	--------	---------------	-----	-------	---------	-------	------	----------

DESCRIPTION PRESSURE TEST DISPOSAL WELL TO 500 PSE FOR  
1 hrs CASING HOLD PRESSURE - NO LEAK DOWN.

SPECIAL CONDITIONS (if any) WINNY, ICEY ROADS, TEMP BELOW 15° F

CREW Rob

METER	IN	OUT	TOTAL TIME
TRAVEL TO:	<u>11:30</u>	<u>9:00</u>	<u>2.5</u>
TRAVEL FROM:	<u>6:00</u>	<u>4:00</u>	<u>2.0</u>
ON LOCATION:	<u>4:00</u>	<u>11:30</u>	<u>4.5</u>

Signature acknowledges performance of service and reasonable verification of information (such as unit numbers, billing address). Comments encouraged. Use back of our copy.

CUSTOMER SIGNATURE

P.O. NO.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

IN TRIPLICATE\*  
instructions on  
reverse side)

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Disposal Well		5. LEASE DESIGNATION AND SERIAL NO. <u>MI-2113 (State)</u>
2. NAME OF OPERATOR <u>Richard P. Smoot</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR <u>847 East 400 South, Salt Lake City, Utah 84102</u>		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) <u>At surface</u>  <u>660' FSL and 2130' FWL of Section 16</u>		8. FARM OR LEASE NAME <u>Suniland State "A"</u>
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, NT, GR, etc.)	9. WELL NO. <u>2</u>
		10. FIELD AND POOL, OR WILDCAT <u>Salt Wash</u>
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <u>SE 1/4 SW 1/4 Sec 16, T23S, R 17E, SLM</u>
		12. COUNTY OR PARISH <u>Grand</u>
		13. STATE <u>Utah</u>

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Checking tubing</u>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

28 July 1976 - Plastic coated tubing and plastic coated packer were pulled to check the condition of both.

Enclosed is copy of status report dated 7-28-76.

**RECEIVED**  
MAY 17 1982

DIVISION OF  
OIL, GAS & MINING

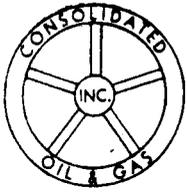
18. I hereby certify that the foregoing is true and correct

SIGNED Richard P. Smoot TITLE Operator DATE 24 February 1982

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:



# Consolidated Oil & Gas, Inc.

## WELL DATA

Operator Consolidated Oil & Gas  
 Well No. Sumiland State A-2 S.W.D.  
 Field S.I.I. Date 7-28-76  
 Well } Initial \_\_\_\_\_  
 Fluids } Final \_\_\_\_\_  
 Elev. \_\_\_\_\_ G.L. \_\_\_\_\_ K.B. \_\_\_\_\_ G.L. to K \_\_\_\_\_

### CASING AND TUBING SIZES

SURF. CSG.  
 \_\_\_\_\_  
 Size \_\_\_\_\_  
 Wt. \_\_\_\_\_  
 Cmt. w \_\_\_\_\_ sxs.

INTERMEDIATE CSG.  
 \_\_\_\_\_  
 Size \_\_\_\_\_  
 Wt. \_\_\_\_\_  
 Cmt. w \_\_\_\_\_ sxs.

PROD. CSG. OR LINER  
 \_\_\_\_\_  
 Size \_\_\_\_\_  
 Wt. \_\_\_\_\_  
 Cmt. w \_\_\_\_\_ sxs.

TUBING  
 Size 2-7/8  
 Depth 8751  
 Packer 8764  
 ANCHOR  
 Type Model-R  
 Make Baker  
 Depth 8763

CSG PERFS.  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

SEAT NIPPLE  
 \_\_\_\_\_

PERF. NIPPLE  
 \_\_\_\_\_

GAS ANCHOR  
 Size \_\_\_\_\_  
 Length \_\_\_\_\_

FILLUP \_\_\_\_\_

P.B.T.D. \_\_\_\_\_

T.D. \_\_\_\_\_

### EQUIPMENT

CASING	Size	Wt.	Jts.	Depth	Perforations
TUBING				13'	KB
	2-7/8	6.4	281	8745'	Plastic coated
	2-7/8	6.4	2	6'	1 - 4' and 1 - 2' sub P.C.
	2-7/8	6.4	1	6'	Packer - plastic coated
RODS				8770	KB
	Size	No.	Feet	Cond.	Ponies, Remarks
					Total Ft.:
PUMP	Size: _____ Pump Unit Make _____ Size _____				
	Type: _____ Speed _____ SPM Eng. or Motor Make _____				
	Condition: _____				

### LOG OF WORK DONE

Give Details Including Contractors Names, Attach Tallies  
 7-28-76 Rig up R&R Well Service

7-29-76 Remove well head bolts on head. Bolts froze - had cut off. Pulled 1 - 2', 1 - 4', 1 - 6', 1 - 8' and 280 jts. of 2-7/8" plastic coated tubing and 1 Model-R packer. All tubing looked good. Ran 281 jts. 1 - 2' and 1 - 4' plastic coated 2-7/8" tubing and set packer with 35,000# wt. on packer.

7-30-76 Release packer. Pump 140 bbl. fresh water treated 30 gal. Powell Carbon-326 between tubing & casing. Reset packer with 35,000 . Put on well head and start injecting water.

Dates That Well Was Last Pulled (go back 9 mos.)

Field No. \_\_\_\_\_

TC  TM  Nut   
 PC  PM  BOD

Pest.   
 Rad.   
 Bact.   
 Spec.

Date Recd.: \_\_\_\_\_  
 Received By: \_\_\_\_\_

UTAH STATE DEPARTMENT OF HEALTH  
 ENVIRONMENTAL HEALTH  
 WATER ANALYSES

Sample No. \_\_\_\_\_ 701

Store No. \_\_\_\_\_ Water Syst. No. \_\_\_\_\_ Source No. \_\_\_\_\_  
 Date Collected 702 Time Collected \_\_\_\_\_ Water Rights No. 704  
 Yr. mo. dy. 24-hour clock

Exact Description of sampling Point \_\_\_\_\_ 646  
 Supply Owned by \_\_\_\_\_ Sample Type \_\_\_\_\_  
 Sample Collected by \_\_\_\_\_ 713

SEND REPORT TO: Phone \_\_\_\_\_ 715  
 \_\_\_\_\_ 648  
 \_\_\_\_\_ 717  
 zip code \_\_\_\_\_

Sample Source \_\_\_\_\_ County \_\_\_\_\_  
 01 Spring 14 Other  
 02 Well 15 Tunnel  
 03 Stream 18 Artesian  
 04 Lake well  
 06 Dist. syst. 19 Swimming  
 07 Effluent pool  
 08 Storm sewer

01 Beaver 16 Plute  
 02 Box Elder 17 Rich  
 03 Cache 18 Salt Lake  
 04 Carbon 19 San Juan  
 05 Daggett 20 Sanpete  
 06 Davis 21 Sevier  
 07 Duchesne 22 Summit  
 08 Emery 23 Tooele  
 09 Garfield 24 Uintah  
 10 Grand 25 Utah  
 11 Iron 26 Wasatch  
 12 Juab 27 Washington  
 13 Kane 28 Wayne  
 14 Millard 29 Weber  
 15 Morgan

Current use \_\_\_\_\_ 708  
 Proposed use \_\_\_\_\_ 709  
 1. Culinary  
 2. Agriculture  
 3. Industrial  
 4. Other

1 FIELD TESTS

Temperature (°C) \_\_\_\_\_ 792 CO<sub>2</sub>, mg/l \_\_\_\_\_ 572  
 D.O., mg/l \_\_\_\_\_ 793 Depth, m \_\_\_\_\_ 609  
 Sp. Cond.  $\mu$ mhos \_\_\_\_\_ 653 Cl Resid., mg/l \_\_\_\_\_ 753  
 pH \_\_\_\_\_ 651 Flow, MGD \_\_\_\_\_ 652  
 Sp. Gravity \_\_\_\_\_ 608 Flow, GPM \_\_\_\_\_ 604  
 Transparency, m \_\_\_\_\_ 649 Flow, cfs \_\_\_\_\_ 659

2 Temperature (°C) \_\_\_\_\_ 650 pH \_\_\_\_\_ 782 WASTEWATER ANALYSIS BACT. LAB. No. \_\_\_\_\_

B.O.D.<sub>5</sub> \_\_\_\_\_ 794 T.O.C. \_\_\_\_\_ 671 M.P.N. Total Coliforms/100ml \_\_\_\_\_ 658  
 Tot. Sus. Solids \_\_\_\_\_ 787 C.O.D. \_\_\_\_\_ 777 M.P.N. Fecal Coliforms/100ml \_\_\_\_\_ 657  
 NO<sub>2</sub>+NO<sub>3</sub>, N \_\_\_\_\_ 602 Cyanide \_\_\_\_\_ 775 Fecal Strep C/100ml. \_\_\_\_\_ 656  
 T.K.N. \_\_\_\_\_ 778 Phenolics \_\_\_\_\_ 783 M.F. Total Coliforms/100ml. \_\_\_\_\_ 654  
 Oil & Grease \_\_\_\_\_ 780 Sulfide \_\_\_\_\_ 672 M.F. Fecal Coliforms/100ml. \_\_\_\_\_ 655  
 Plate Count-Org./ml. \_\_\_\_\_ 599

3 Filtered \_\_\_\_\_ Unfiltered \_\_\_\_\_

me/l CATIONS mg/l ug/l (ppb)

Ammonia as N \_\_\_\_\_ 722  
 Arsenic \_\_\_\_\_ 723  
 Barium \_\_\_\_\_ 724  
 Boron \_\_\_\_\_ 725  
 Cadmium \_\_\_\_\_ 727  
 Calcium \_\_\_\_\_ 728  
 Chromium \_\_\_\_\_ 729  
 Chromium, Hex. as Cr \_\_\_\_\_ 730  
 Copper \_\_\_\_\_ 732  
 Iron, dissolved \_\_\_\_\_ 733  
 Lead \_\_\_\_\_ 734  
 Magnesium \_\_\_\_\_ 737  
 Manganese \_\_\_\_\_ 738  
 Nickel \_\_\_\_\_ 740  
 Potassium \_\_\_\_\_ 742  
 Selenium \_\_\_\_\_ 743  
 Silver \_\_\_\_\_ 744  
 Sodium \_\_\_\_\_ 745  
 Zinc \_\_\_\_\_ 749

TOTAL CATIONS \_\_\_\_\_

4 CHEMICAL ANALYSIS

me/l ANIONS mg/l

Bicarbonates \_\_\_\_\_ 758  
 Carbon Dioxide \_\_\_\_\_ 759  
 Carbonate \_\_\_\_\_ 760  
 Chloride \_\_\_\_\_ 763  
 CO<sub>3</sub> Solids \_\_\_\_\_ 765  
 Fluoride \_\_\_\_\_ 767  
 Hydroxide \_\_\_\_\_ 605  
 Nitrate as N \_\_\_\_\_ 606  
 Nitrite as N \_\_\_\_\_ 607  
 Phosphorus, Ortho as P \_\_\_\_\_ 750  
 Silica, dissolved as SiO<sub>2</sub> \_\_\_\_\_ 772  
 Sulfate \_\_\_\_\_

TOTAL ANIONS \_\_\_\_\_  
 GRAND TOTAL \_\_\_\_\_

Tot. Phosphorus \_\_\_\_\_ 785  
 Total Alk. as CaCO<sub>3</sub> \_\_\_\_\_ 752  
 T. Hdns. as CaCO<sub>3</sub> \_\_\_\_\_ 754  
 Surfactant as MBAS \_\_\_\_\_ 773  
 Turbidity, as-NTU \_\_\_\_\_ 757  
 Sp. Gravity \_\_\_\_\_ 608

5 TOTAL METALS ANALYSIS

mg/l ug/l (ppb)

Aluminum \_\_\_\_\_ 800  
 Arsenic \_\_\_\_\_ 660  
 Barium \_\_\_\_\_ 661  
 Beryllium \_\_\_\_\_ 801  
 Cadmium \_\_\_\_\_ 662  
 Chromium \_\_\_\_\_ 663  
 Cobalt \_\_\_\_\_ 804  
 Copper \_\_\_\_\_ 664  
 Gold \_\_\_\_\_ 700  
 Iron \_\_\_\_\_ 755  
 Lead \_\_\_\_\_ 665  
 Manganese \_\_\_\_\_ 666  
 Mercury \_\_\_\_\_ 739  
 Molybdenum \_\_\_\_\_ 802  
 Nickel \_\_\_\_\_ 667  
 Selenium \_\_\_\_\_ 668  
 Silver \_\_\_\_\_ 669  
 Uranium \_\_\_\_\_ 601  
 Vanadium \_\_\_\_\_ 803  
 Zinc \_\_\_\_\_ 670

6 Sp. Cond.  $\mu$ mhos/cm. \_\_\_\_\_ 762  
 TDS @ 180°C \_\_\_\_\_ 786

7 RADIOLOGICS

Alpha, gross \_\_\_\_\_ 621 89Sr \_\_\_\_\_ 633  
 Beta, gross \_\_\_\_\_ 623 131I \_\_\_\_\_ 635  
 Tritium, <sup>3</sup>H \_\_\_\_\_ 625 134Cs \_\_\_\_\_ 637  
 226 Radium \_\_\_\_\_ 627 137Cs \_\_\_\_\_ 639  
 228 Radium \_\_\_\_\_ 629  
 90Sr \_\_\_\_\_ 631

INTERPRETATION OF ANALYSES:  
 Remarks: NO OTHER ANALYSES

Based on State Standards, this sample was:  
 Satisfactory \_\_\_\_\_  
 Conditional \_\_\_\_\_  
 Unsatisfactory \_\_\_\_\_

B.O.D.<sub>5</sub> \_\_\_\_\_  
 Tot. Sus. Solids \_\_\_\_\_  
 M.P.N. Total Collform. \_\_\_\_\_  
 M.P.N. Fecal Collform. \_\_\_\_\_

LAW OFFICES OF  
**HUGH C. GARNER & ASSOCIATES**

HUGH C. GARNER  
NICHOLAS F. McKEAN  
JAMES W. CARTER  
ROSEMARY J. BELESS

SUITE 1100 KENNECOTT BUILDING  
SALT LAKE CITY, UTAH 84133

(801) 532-5660

May 18, 1982

The Division of Oil, Gas and Mining  
State Office Building  
State Capital  
Salt Lake City, Utah

Re: Disposal - Suniland No. A-1  
Salt Wash Field

Attention: Mr. Ron Firth  
Chief Petroleum Engineer

Gentlemen:

This letter is written on behalf of Megadon Enterprises, Inc. and is for the purpose of setting out the testing procedure authorized by this Board's order of February 25, 1982, in Cause No. WD-120(B).

Megadon Enterprises, Inc. will be responsible for the cost and liability (except as herein limited) of a radioactive-tracer survey of the subject well to a depth of at least 8,770 feet. Megadon will have no liability for the repair of conditions which may now exist in the well; similarly, Megadon will have no liability for extraordinary developments resulting from the testing procedures outlined below which no fault of its own in testing said well but are a result of conditions now existing in the well. The procedures outlined herein should in no way damage or disturb the condition of the well if it is presently in a good operating order.

Megadon Enterprises, Inc. intends to engage the services of NL McCullough Industries to run such tracer survey. It will notify all parties concerned when the date of the test is determined.

It is proposed that a trial run be made with a sinker bar of similar size to the logging tool to a depth of 8,770 feet to determine that no obstructions presently exist in the tubing. If the tool will not go to the specified depth then continuation of the test work will not be possible and the well will be shut down at this point and no further

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DIVISION OF  
OIL, GAS & MINING

injection allowed until remedial work is accomplished. Such remedial work would be done at SW Energy's sole cost and risk. If such work is not performed within a specified period of time from the date of the test (not more than 30 days) then, in such event, the well should be plugged and abandoned on order of this Board.

If the sinker bar is run to the specified depth, then a gamma base log will be run, followed by the running of a tracer element injector plus counter to the bottom and set just above the packer at 8,770 feet. Water would then be injected into the well using SW Energy's injection system after a careful determination of the injection rate has been established either by measurement of the tank from which the water is being pumped or by computing the pump capacity and stroke rate. After the injection rate has been established, then radioactive iodine would be released from the chamber at the bottom and the rate of the injection checked again as it passes the counter. If the rate is markedly different from the surface rate of injection, it must be concluded that some of the fluid is going out above the counter. Continuing the water injection will also show when or if the radioactive material passes the counter again. If it does, then the water is being injected some place up the hole. If it does not, then the water is being injected below the counter as it should be. If the tracer material does pass the counter the second time, then it will be necessary to reset the tool at intervals coming up the hole, until the spot or spots found where the tracer element does not pass the counter the second time.

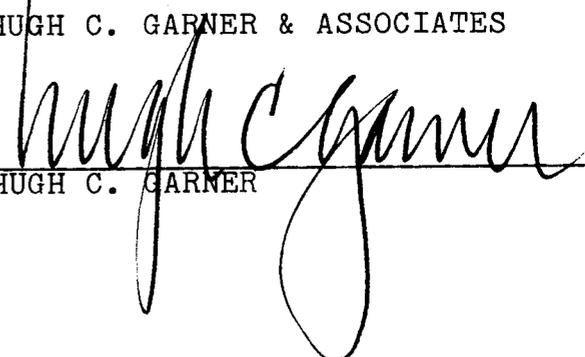
In the event it is determined that the water is being injected at some point above 8,771 feet, then further injection must cease at once (as soon as the test is concluded). Remedial work to return the well to proper condition should be accomplished by a specified date (no more than 30 days) and a second test similar to the one above accomplished which would be financed by SW Energy to determine the adequacy of the work before water injection can be commenced again. If the remedial work and testing is not done within the specified time period, the well must be plugged and abandoned on order of this Board.

If the foregoing procedure meets with the  
Division's approval, we would appreciate advice to that  
effect.

Very truly yours,

HUGH C. GARNER & ASSOCIATES

By:

  
HUGH C. GARNER

HCG/ccm

CC: Mike Keller  
Don Quigley



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

May 24, 1982

SW Energy  
847 East 400 South  
Salt Lake City, Utah

ATTN: Richard Smoot

RE: Injection Well and Pond  
Suniland A2 Well  
Sect. 16, T23S, R17E  
Grand County, Utah

Dear Mr. Smoot:

May 19, 1982, an inspection was made of your injection well and associated pond. The fluids in the pond had builtup to within inches of the top. This should be pumped down to allow for some freeboard and monitored more closely to avoid possible breaching.

Thank you for your cooperation. If you have any questions, please call.

Sincerely,

DIVISION OF OIL, GAS & MINING

A handwritten signature in cursive script, appearing to read "Gilbert L. Hunt".

Gilbert L. Hunt  
UIC GEOLOGIST

GLH:dc



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

May 24, 1982

Mr. Hugh C. Garner  
Hugh C. Garner & Associates  
Suite 1100 Kennecott Building  
Salt Lake City, Utah 84133

RE: ~~Suniland State No. A-2~~  
Water Disposal Well  
Operational Testing Procedures  
Radioactive Tracer Survey  
Megadon Enterprises, Inc.

Dear Mr. Garner:

Receipt of your letter of May 18, 1982 regarding the testing procedures for radioactive tracer survey on the Suniland State No. A-2, water disposal well, to be conducted by Megadon Enterprises, Inc. is hereby acknowledged. The Division is in agreement as to the operational procedures as outlined in your letter in paragraph 5 and that portion of paragraph 4 pertaining to conducting a sinker bar trial run. However, in regards to the sinker bar trial run, it is suggested that this operation possibly be accomplished by using a regular wireline unit. Using the smaller wireline equipment would permit Megadon to determine the present condition of the well tubing at a minimal expense and determine whether the continuation or cessation of further work is warranted.

If the testing procedures are successful, the results will be submitted to the Division and Board for their review and further action as authorized in Cause No. WD-102(B). The alternative actions and time constraints as outlined in your letter are not considered applicable until the Board has reviewed the test results and determined the appropriate action.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

R. J. Firth  
Chief Petroleum Engineer

RJF/as

cc: Megadon Enterprises, Inc.  
Richard P. Smoot  
H. Michael Keller

Board/Charles R. Henderson, Chairman • John L. Bell • E. Steele McIntyre • Edward T. Beck  
Robert R. Norman • Margaret R. Bird • Herm Olsen

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SUITE 1100 KENNECOTT BUILDING  
SALT LAKE CITY, UTAH 84133

(801) 532-5660

June 10, 1982

Michael H. Keller, Esq.  
VANCOTT, BAGLEY, CORNWALL & McCARTHEY  
Attorneys at Law  
50 South Main  
Salt Lake City, Utah

Re: Sunniland State A-2 Water Disposal Well Test

Dear Mike:

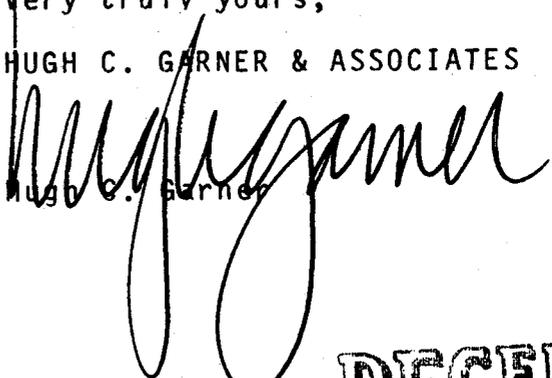
In confirmation of our conversation of this date, you are advised that Megadon Enterprises, Inc. intends running a test of the captioned well in accordance with the Order of the Board of Oil, Gas & Mining on June 16, 1982 at 10:00 A.M. The company employed to conduct the test is McCoullough Corporation; Mr. Ron Firth of the Division of Oil, Gas & Mining has been advised of the test date and it meets with his approval. Representatives of the Board will be on hand to observe the test.

The test was originally scheduled for June 11, 1982 at 10:00 A.M. Due to Mr. Quigley's inability to contact Mr. Smoot, that date was deferred to June 16. I understand Mr. Smoot has been out of town but is expected to return by Sunday, June 13.

Please advise Mr. Smoot of this schedule date in order that he or his representative can be present for the testing in accordance with the Order of the Board of Oil, Gas & Mining.

Very truly yours,

HUGH C. GARNER & ASSOCIATES

  
Hugh C. Garner

HCG/da

cc: Mr. Ron Firth

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JUN 14 1982

DIVISION OF  
OIL, GAS & MINING

LAW OFFICES OF  
VAN COTT, BAGLEY, CORNWALL & McCARTHY

A PROFESSIONAL CORPORATION

SUITE 1600

50 SOUTH MAIN STREET

SALT LAKE CITY, UTAH 84144

TELEPHONE (801) 532-3333

ADDRESS ALL CORRESPONDENCE TO

POST OFFICE BOX 3400

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1907-1917

VAN COTT, RITER & FARNSWORTH  
1917-1947

OF COUNSEL  
CLIFFORD L. ASHTON  
GEORGE M. MCMILLAN

June 15, 1982

HAND DELIVERED

Jack Feight  
Division of Oil, Gas and Mining  
State Office Building  
Room 4241  
Salt Lake City, Utah 84114

Re: Suniland State A-2 Salt Water Disposal Well

Dear Jack:

On June 10, 1982, Mr. Hugh Garner, Esq. notified our office that his client, Megadon Enterprises, Inc., intends to conduct a tracer survey test on the disposal well on June 16, 1982. Inasmuch as our client, Mr. Richard P. Smoot, was out of town at the time and did not return to Salt Lake City until late on June 14, 1982, the test should not be conducted on June 16, 1982, for lack of adequate notice to Mr. Smoot.

In addition, Mr. Garner has never presented us with the proposed contract to be entered into between Megadon and the service company that will be performing the test. The order of the Board of Oil, Gas and Mining in this matter expressly requires that any contract entered into by Megadon for the performance of a survey on the well shall expressly hold Megadon solely liable for the risk and expenses of the survey, disclaim any responsibility of Mr. Smoot, S. W. Energy, and the State of Utah for payment, and expressly waive the rights of the party performing the service to claim any interest in the property owned by Mr. Smoot or his company, by lien or otherwise. We are justifiably concerned that Megadon and Mr. Quigley guarantee payment of expenses as well as bear sole liability in conducting the test.

Jack Feight  
June 15, 1982  
Page 2

Mr. Smoot has also expressed interest in having a different service company perform the test.

Finally, we are also concerned by various statements in Mr. Garner's letter dated May 18, 1982, regarding the test procedures to be used. For instance, we strongly disagree with Mr. Garner's assertion that the well must be shut in, as a matter of law, if for whatever reason the service company is unable to conduct the test due to problems they may encounter in lowering a wire line into the well. In our view, this is a problem for Megadon to resolve if it desires to conduct such a test and is not the responsibility of Mr. Smoot or his company.

For the foregoing reasons, we request that the proposed test date be extended until our concerns have been fully addressed and adequate notice has been given to Mr. Smoot.

Very truly yours,



H. Michael Keller

HMK/kmr

cc: Richard P. Smoot  
H. C. Garner, Esq.



# MEGADON ENTERPRISES, INC.

309 Guaranty Bank Building • 817 17th St. • Denver, Colorado 80202 • (303) 573-0093  
57 West South Temple • Salt Lake City, Utah 84101 • (801) 359-3575

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JUN 18 1982

June 17, 1982

DIVISION OF  
OIL, GAS & MINING

Mr. Richard P. Smoot  
S.W. Energy Corp.  
847 East 4th South  
Salt Lake City, Utah 84102

Re: Testing Sunniland State A-2 Well  
Salt Wash Field, Grand County, Utah

Dear Dick:

As you know, I had made arrangements, as per Cause Order #WD-102B of the State Board of Oil, Gas and Mining, to conduct a tracer element survey on the 'Sunniland State A-2' on June 16, 1982. Your lawyer was verbally informed of the plan prior to the end of May; however, attempts to contact you at your office were repeatedly unsuccessful. A formal letter dated June 10 was submitted thru your lawyer advising of such time. By an unusual set of circumstances, I learned at 10 o'clock Tuesday night, June 15, 1982, that you had cancelled the test without prior notice to me. I certainly question your right to do this, since you were not paying for any part of the survey work and the State Board of Oil, Gas & Mining had by their letter of May 24 agreed to the procedure and verbally approved of the date. Fortunately, I was able to cancel the test before the survey truck left their yard; otherwise it would have cost me about \$1,500 to turn the truck around after arriving at the site, to say nothing about the inconvenience and expense involved with the other people who were to be present at the test.

Accordingly, we have rescheduled the test to be conducted at 10 AM, June 22. This is to accommodate your engineer, Garth Freeman, who is leaving for a period of time, beginning June 24. This date has been cleared with the State Board of Oil, Gas & Mining and has been previously discussed with you on June 16, 1982. We also understand ~~the~~ NL-McCullough has assured you that there is little chance of damaging your tubing by the test, since they have conducted the test many hundreds of times and for many different companies without any damage or complaints.

We are giving you this notice and inviting you or your people to witness the test and will proceed without further delay.

Sincerely yours,

*W. Don Quigley*  
W. Don Quigley

cc: Division of Oil, Gas & Mining  
Hugh C. Garner  
H. Michael Keller

LAW OFFICES OF  
VAN COTT, BAGLEY, CORNWALL & MCCARTHY

A PROFESSIONAL CORPORATION

SUITE 1600

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SALT LAKE CITY, UTAH 84144

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1907-1917

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OF COUNSEL  
CLIFFORD L. ASHTON  
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RICHARD C. SKEEN

July 8, 1982

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JUL 12 1982

DIVISION OF  
OIL, GAS & MINING

Ron Firth  
Division of Oil, Gas and Mining  
State Office Building  
Room 4241  
Salt Lake City, Utah 84114

Re: Suniland State A-2 Disposal Well

Dear Mr. Firth:

In connection with the above-referenced matter, we have advised Mr. Quigley's counsel, Hugh Garner, that our client, Richard P. Smoot, could make his representative available for a tracer survey test to be performed at Mr. Quigley's expense on any business day between July 14 and July 21st. Mr. Garner subsequently notified me that his client would like to proceed with the tracer test on July 14, 1982. I have advised our client accordingly, and he has arranged for his representative to be present at the well on that date, although we have not yet received any written confirmation of the date from either Mr. Quigley or the Division.

As you learn of any further developments in this matter, we would appreciate it if you would notify our office or Mr. Smoot.

Very truly yours,



H. Michael Keller

HMK/kmr

cc: Richard P. Smoot  
Hugh Garner, Esq.



# MEGADON ENTERPRISES, INC.

309 Guaranty Bank Building • 817 17th St. • Denver, Colorado 80202 • (303) 573-0093  
57 West South Temple • Salt Lake City, Utah 84101 • (801) 359-3575

RECEIVED

JUL 21 1982

DIVISION OF  
OIL, GAS & MINING

## REPORT ON TRACER ELEMENT TEST ON SUNILAND STATE A-2 WELL SALT WASH FIELD, UTAH

1. On July 14, 1982, a tracer element survey and water injection test was made by Megadon Enterprises, Inc. on the Suniland State A-2 well in the Salt Wash Field, Grand County, Utah as perscribed by the Oil & Gas Board under their order, Cause #WD-102(B). The following people were present at the site and witnessed the test:

W. Don Quigley	Megadon
Jean L. Doutre	Div. of Oil, Gas & Mining
Verl F. Moore	Consultant/S.W. Energy
Richard P. Smoot	"
R.J. Firth	Oil, Gas & Mining
Gilbert Hunt	"
Garth Freeman	S.W. Energy
Tarik Armad	Minoco
Mrs. T. Armad	Minoco

In addition to the above individuals, there were three people from NL McCullough Corp. who conducted the logging and survey work of which Mr. Art Conley was the chief engineer; two people from Fleet Cementers, who operated the pump truck; and one person from S & S Garage, who operated the water truck furnishing the water for the test.

2. The test and survey were conducted as follows:

1000 hrs: McCullough arrived and began rigging up. Ran a sinker bar with jars in first (1 3/8" - 1 1/2" - 1 5/8" O.D.). Tool went all the way to 8810' (packer is set at 8770' K.B.). Came out of hole.  
1130 hrs: Rigged up tracer element tool and went in hole. Ran short log at bottom of hole to correlate depth. Fleet Cementers pump truck and S & S water truck arrived on location at 1000 hrs. and 1030 hrs. respectively. Ran tracer element and gamma ray tool to 8750'. Correlated gamma ray log at 8675' with zone in original logs at 8685'. Start pumping in salt water. Pumped in about 4 1/2 bbls and pump pressure climbed to 500# and well started flowing out the casing. Mounted gauge on casing side and pumped in 1 1/2 bbl and pressure on casing went to 500# (pump pressure on truck was 450#).  
Began pumping in at 1/2 bbl/min. rate at 300# pump pressure. Injected tracer at 200' and began chasing down the hole.. Chased down to 1500' and dropped to 2000' and injected another shot of tracer element. Found it again at 3000'; at 3500'; at 4000'; at 4500'; at 5000'; at 5500'; at 6000'; at 6500'; at 7000'; at 7500'; at 8000'; at 8500'; at 8750'. Tracer appears to be going around tool at this depth.

Tracer Element Survey

Tracer gone at 8745' and at 8700'.

Injected tracer at 8745' - didn't pass tool. Lowered tool and started picking up tracer at 8750' and continued thru 8770'. Dropped down to 8780' and tracer was gone. Water is going into formation between 8750' to 8780'.

Ran several profiles between 8740' and 8780'. Profiles showed water going out at 8750' to 8780'.

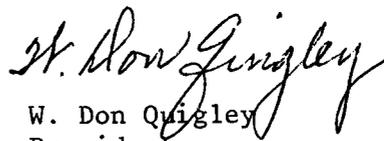
Log shows packer at 8751' to 8758'. (Tubing tally is in error.)

Ran fast log out of hole. Finished logging at 1615 hrs. Rigged down. Finished at 1730 hrs.

3. Comments: It is quite obvious based on the above data that there is a leak in the tubing and/or packer which allows communication to the annulus between the tubing and casing. This leak was established as being below 8745'. The bottom of the 5½" casing is reported to be at 8783' and the original production perforations were at 8775-8781'. The tracer element survey showed that the disposal water was going into the formation at 8745' to 8780' - probably out the original perforations into the production zone. Apparently, these perfs were never cemented off as planned and the open hole below the casing is not taking any of the fluid now. The oil-water contact in the subject log was fairly well established by the original logs at -4400' S.L. or at 8788' K.B. Thus, the water is definitely going into the oil production zone rather than into the water zone as originally planned. Therefore, most of this water which has been injected over the years will have to be reproduced before the true oil production potential can be realized.

In order to make the subject well a proper well for water disposal, the tubing and packer must be pulled; the hole cleaned out and/or redrilled to 8890'; a 3" or 3½" liner set and cemented from 8740' to 8890'; drill out cement and clean to 8890'; perforate liner below 8850'; and set the packer on the tubing at the top of the liner at 8740' or slightly higher. A tracer element survey should then be re-run to make sure the water is going into the formation below 8850'.

A copy of the tracer element log as run by NL McCullough is attached hereto.

  
W. Don Quigley  
President

WDQ/sb

Enclosure



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

August 6, 1982

TO: Board of Oil, Gas and Mining

FROM: R. J. Firth, Chief Petroleum Engineer *RJF*

RE: Cause No. WD-102 (B)  
Order - Authorizing Megadon Energy Corporation to conduct a  
radioactive tracer survey on the Suniland State A-2 Well

Operations to obtain the radioactive tracer survey results on the Suniland State A-2 water disposal well as authorized by the Order of Cause No. WD-102 (B) February 25, 1982 were completed on July 14, 1982. The survey operations were conducted in accordance with item 4 of the order, a copy of which is attached. Also attached is a copy of a report prepared by Mr. W. Don Quigley, Megadon Enterprises, Inc. detailing the procedure, results and comments pertaining to the survey test. Following are comments from the staff relative to this matter:

- (1) The radioactive tracer survey results indicated that no severe channeling behind the casing or cement is occurring.
- (2) The water is being injected into the interval at 8750 feet and below.
- (3) It was determined that a possible leak exists between the tubing and the tubing-casing annulus probably at a point near or at the packer.
- (4) The equipment in the well is in tact (with the exception of the possible leak) and the effective depth of the well is at approximately 8810 feet (wireline depth).

In view of these conditions, it is indicated that the injected water is being disposed of into the Mississippian formation in the interval 8750 feet to 8900 feet in the referenced well in compliance with administrative approval granted May 26, 1969. However, to effect proper injection procedures and to comply with water disposal well regulations, the possible leak should be investigated and repaired as soon as possible and the required mechanical integrity test be conducted.

cc: C. B. Feight  
Attachments

RECEIVED

JAN 16 1983

STATE OF UTAH  
DIVISION OF OIL, GAS, AND MINING  
ROOM 4241 STATE OFFICE BUILDING  
SALT LAKE CITY, UTAH 84114  
(801) 533-5771  
(RULE I-5)

FORM NO. DOGM-UIC-1

DIVISION OF  
OIL, GAS & MINING

IN THE MATTER OF THE APPLICATION OF  
S. W. ENERGY CORPORATION

CAUSE NO. \_\_\_\_\_

ADDRESS 847 East Fourth South  
Salt Lake City, Utah ZIP 84102

ENHANCED RECOVERY INJ. WELL   
DISPOSAL WELL

INDIVIDUAL  PARTNERSHIP  CORPORATION

FOR ADMINISTRATIVE APPROVAL TO DISPOSE OR  
INJECT FLUID INTO THE Suniland A-2 WELL  
SEC. 16 TWP. 23S RANGE 17E  
Grand COUNTY, UTAH

APPLICATION

Comes now the applicant and shows the Division the following:

- 1. That Rule 1-5 (b) 6 authorizes administrative approval of enhanced recovery injections or disposal operations.
- 2. That the applicant submits the following information.

Lease Name	Well No. Suniland A-2	Field Salt Wash	County Grand
Location of Enhanced Recovery Injection or Disposal Well <u>SE 1/4 SW 1/4</u> Sec. <u>16</u> Twp. <u>23S</u> Rge. <u>17E</u>			
New Well To Be Drilled Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Old Well To Be Converted Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Casing Test Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Date _____	
Depth-Base Lowest Known <u>8900</u> Fresh Water Within 1/2 Mile <u>NO</u>	Does Injection Zone Contain Oil-Gas-Fresh Water Within 1/2 Mile YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>		State What
Location of Injection Source(s) <u>Basal Mississippian</u>		Geologic Name(s) and Depth of Source(s) <u>Mississippian - 8890</u>	
Geologic Name of Injection Zone <u>Mississippian</u>		Depth of Injection Interval _____ to _____	
a. Top of the Perforated Interval:	b. Base of Fresh Water:	c. Intervening Thickness (a minus b)	
Is the intervening thickness sufficient to show fresh water will be protected without additional data? YES NO			
Lithology of Intervening Zones			
Injection Rates and Pressures Maximum <u>175 - 200</u> B/D <u>On vacuum</u> PSI			
The Names and Addresses of Those To Whom Copies of This Application and Attachments Have Been Sent			

State of UTAH  
County of SALT LAKE

*Richard P. Smoot*  
Applicant

Before me, the undersigned authority, on this day personally appeared RICHARD P. SMOOT known to me to be the person whose name is subscribed to the above instrument, who being by me duly sworn on oath states, that he is duly authorized to make the above report and that he has knowledge of the facts stated therein, and that said report is true and correct.

Subscribed and sworn to before me this \_\_\_\_\_ day of Dec., 19 82

SEAL  
My commission expires \_\_\_\_\_  
*[Signature]*

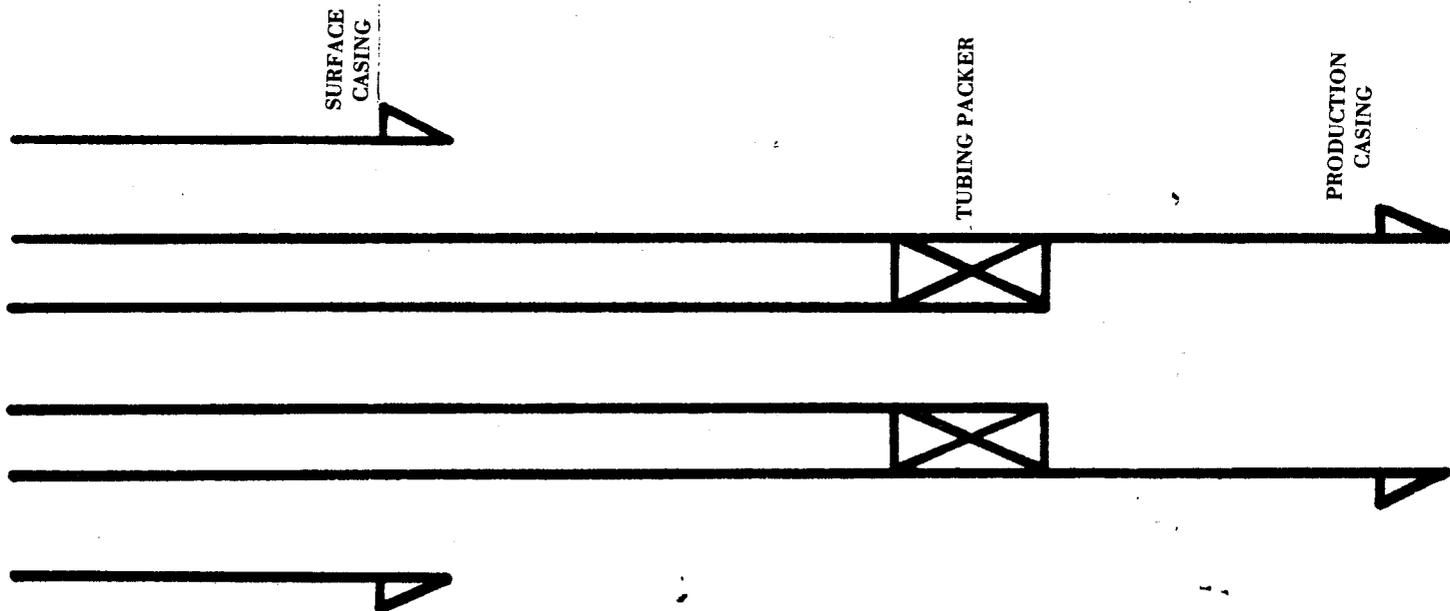
Notary Public in and for \_\_\_\_\_

1. Attach qualitative and quantitative analysis of fresh water from 2 or more producing wells within 1 mile of injection well showing location of wells and date samples were taken, or statement as to why samples were not submitted.
2. Attach qualitative and quantitative analysis of representative sample of water to be injected.
3. Attach plat showing subject well and all known oil and gas wells, abandoned, drilling and dry holes within 1/2 mile, together and with name of operator.
4. Attach Drillers Log (Form DOGM-UIC-2). (Appropriate Surety must be on file with Conservation Division.)
5. Attach Electric or Radioactivity Log of Subject well (if released).
6. Attach schematic drawing of subsurface facilities including; Size, setting depth, amount of cement used measured or calculated tops of cement surface, intermediate (if any) and production casings; size and setting depth of tubing; type and setting depth of packer; geologic name of injection zone showing top and bottom of injection interval.
7. The original and 6 copies of application, and one complete set of attachments shall be mailed to the Division.
8. Deliver 1 copy of application to landowner on whose land injection well is located and to each operator of a producing leasehold within 1/2 mile of injection well.
9. Affidavit of mailing or delivery shall be filed not later than five days after the application is filed.
10. Notice that an application has been filed shall be published by the Division in a newspaper of general circulation in the county in which the well is located. The Division shall file proof of publication before the application is approved. The notice shall include name and address of applicant, location of proposed injection or disposal well, injection zone, injection pressure and volume. If no written objection is received within 15 days from date of publication the application will be approved administratively.
11. A well shall not be used for injection or disposal unless completed machine accounting Form DOGM-UIC-3b is filed September 1st, each year.
12. Approval of this application, if granted, is valid only as long as there is no substantial change in the operations set forth in the application. A substantial operation change requires the approval of a new application.
13. If there is less intervening thickness required by Rule I-5 (b) 4 attach sworn evidence and data.

CASING AND TUBING DATA

NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
Surface	8 5/8	1203	550	Surface	
Intermediate					
Production	5 1/2	8783	1250	270'	
Tubing	2 7/8	7850	Name - Type - Depth of Tubing Packer		
Total Depth	Geologic Name - Inj. Zone		Depth - Top of Inj. Interval	Depth - Base of Inj. Interval	

SKETCH - SUB-SURFACE FACILITY



PLEASE TYPE OR USE BLACK INK ONLY

(To be filed within 30 days after drilling is completed)

DEPARTMENT OF NATURAL RESOURCES AND ENERGY

DIVISION OF OIL, GAS, AND MINING  
Room 4241 State Office Building  
Salt Lake City, Utah 84114

COUNTY  
LEASE NO.

API NO 43-019-10833

840 Acres  
N

COUNTY Grand SEC. 16 TWP. 23S RGE. 17E

COMPANY OPERATING S.W. ENERGY CORPORATION

OFFICE ADDRESS 847 East Fourth South

TOWN Salt Lake City STATE ZIP 84102

FARM NAME \_\_\_\_\_ WELL NO. Suniland A-2

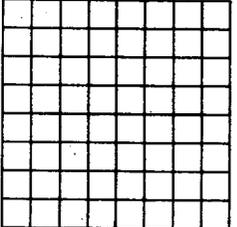
DRILLING STARTED \_\_\_\_\_ 19 \_\_\_\_\_ DRILLING FINISHED \_\_\_\_\_ 19 \_\_\_\_\_

DATE OF FIRST PRODUCTION \_\_\_\_\_ COMPLETED \_\_\_\_\_

WELL LOCATED \_\_\_\_\_ 1/4 \_\_\_\_\_ 1/4 \_\_\_\_\_ 1/4

\_\_\_\_\_ FT. FROM SL OF 1/4 SEC. & \_\_\_\_\_ FT. FROM WL OF 1/4 SEC.

ELEVATION DERRICK FLOOR \_\_\_\_\_ GROUND \_\_\_\_\_



TYPE COMPLETION

Single Zone XX Order No. \_\_\_\_\_

Multiple Zone \_\_\_\_\_ Order No. \_\_\_\_\_

Comingled \_\_\_\_\_ Order No. \_\_\_\_\_

LOCATION EXCEPTION \_\_\_\_\_ Order No. \_\_\_\_\_ Penalty \_\_\_\_\_

OIL OR GAS ZONES

Name	From	To	Name	From	To
None					

CASING & CEMENT

Casing Set				Csg. Test	Cement		
Size	Wgt	Grade	Feet	Psi	Sax	Fillup	Top
5 1/2"	17-23#	N80	8783		1250 1100		

Initial shut-in pressure 450 lbs.  
Vacuum in one minute.

TOTAL DEPTH 8900

PACKERS SET DEPTH Baker Model R Packer at 8770 feet  
Plastic coated tubing and packer

COMPLETION & TEST DATA BY PRODUCING FORMATION

Completion information on SWD previously submitted to Oil and Gas Commission

FORMATION	<u>Mississippian</u>	
SPACING & SPACING ORDER NO.		
CLASSIFICATION (Oil; Gas; Dry; Inj. Well)	<u>Inj. Well</u>	
PERFORATED		
INTERVALS		
ACIDIZED?	<u>18 Jan 1977</u> <u>5000 gal.</u> <u>28% acid</u>	
FRACTURE TREATED?		

INITIAL TEST DATA

N/A

Date			
Oil. bbl./day			
Oil Gravity			
Gas. Cu. Ft./day		CF	CF
Gas-Oil Ratio Cu. Ft./Bbl.			
Water-Bbl./day			
Pumping or Flowing			
CHOKE SIZE			
FLOW TUBING PRESSURE			

A record of the formations drilled through and pertinent remarks are presented on the reverse. (use reverse side)

*Richard P. Smoot*

I, the undersigned, being first duly sworn upon oath, state that this well record is true, correct and complete according to the records of this office and to the best of my knowledge and belief.

Telephone 532-6664 RICHARD P. SMOOT, PRESIDENT  
Name and title of representative of company

Subscribed and sworn before me this \_\_\_\_\_ day of December, 1982



Suite 440 / 57 West South Tem  
Salt Lake City, Utah 84101  
Bus. Tel: (801) 359-3575  
Res. Tel: (801) 295-1870

President: W. Don Quigley  
Vice President: Margaret Quigley  
Secretary: Sherrill L. Bateman



January 21, 1983

DIVISION OF  
OIL, GAS & MINING

JAN 21 1983

Minerals Management Services  
Mr. Ed Gynn  
1745 West 1700 South  
Salt Lake City, Utah 84104

State Land Board  
Mr. G. Prince  
3100 State Office Bldg.  
Salt Lake City, Utah 84114

✓ Oil & Gas Division  
Mr. Jack Feight  
4741 State Office Bldg.  
Salt Lake City, Utah 84114

Minerals Management Services  
Mr. Frank Salwerowicz  
P. O. Box 25046, MS609  
Denver, Co. 80225

Re: Salt Water Disposal Well  
Section 16-23S-17E.  
Salt Wash Field  
Grand County, Utah

Dear Sirs:

The subject well has been used as a salt water disposal well by Consolidated Oil & Gas Co. and subsequently by Mr. Richard P. Smoot for the last 15 years. This well was never properly cemented and conditioned for a disposal well originally. The original intent was to dispose of the excess water produced in the wells in the field into the bottom of the Mississippian Formation (below 9100'), approximately 200' below the oil producing zone (the oil-water contact in this field has been established as near as possible at -4400' S.L.). The proper permits to do this, however, were never secured by the operators. Water produced from wells on Federal Lands was being injected into the oil producing zone in a well on a State Lease. A request to use this well for this purpose was never obtained from the lessee (Skyline Oil Co.). No enumeration was made to the State either for the use of the well or the equipment in the well, of which the ownership had then succeeded to the State.

Megadon has drilled 2 wells in the field: one on a Federal Lease; and one on the State Lease. Both of these wells have been shut-in for nearly a year because of the contaminating water being injected into the oil producing zone in the subject well.

It was suspected that the water was going into the production zone due to data developed from the production of the two wells drilled by Megadon. Initially, the well on the Federal Lease in Section 15 produced about 400 barrels of oil per day on a 10/64" choke. However, after 2 to 3 weeks at this rate, water began increasing alarmingly fast; so that eventually only 50<sup>5</sup> barrels of oil were produced along with 400 barrels of water per day. This water was trucked out for a time until it became uneconomical to do so. On one occasion, it was determined that Mr. Smoot was not injecting water into the disposal well for a day and on this day the well in Section 15 produced 75 barrels of oil and 75 barrels of water.

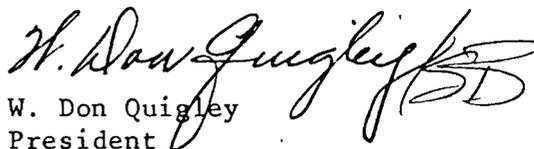
January 21, 1983

Megadon has made several attempts to get the injection of salt water in the subject well discontinued and have the well plugged and abandoned or else properly conditioned as a disposal well. Four separate hearings before the Oil & Gas Board were arranged before which all the data were presented. Finally, after the third hearing, the Oil & Gas Board authorized Megadon, at our expense, to run a Tracer Element Survey on the subject well. We did this at a cost of \$7500 with no offer from Mr. Smoot to share the expense. Results of this survey are detailed in the attached report to the Oil & Gas Commission; and clearly show that the water is going into the very production zone originally perforated by Pan Am years ago. The test indicated that either a leak was present in the tubing or in the packer set just above the perforations. The test also proved that there was communication with the production zone since oil began coming out of the casing when only a few barrels of water had been pumped in at a pressure of 450#.

Mr. Smoot's people have testified on several occasions before the Oil & Gas Board that the disposal well was on a vacuum even when water was not being injected. Obviously, the only way this could occur is to have fluid moving down the hole which suggests that there is also a hole in the casing opposite a water zone. This possibility and explanation was presented by us to the Board at one of the hearings. The attached sketch was presented to the Board, and is a schematic drawing of the possible conditions. The Board elected to ignore this entirely, however, it has been recently confirmed through a conversation with Mr. Smoot's former field engineer that this is definitely the case.

It is quite obvious in the best interest of the State, the Federal Government, and Field Operators that the continued use of this well as a disposal well is ruining the potential production of the field and must be either plugged and abandoned or properly conditioned for water disposal. We, therefore, request a further hearing before the Oil & Gas Board so that this matter can be dealt with properly and settled once and for all.

Sincerely yours,

  
W. Don Quigley  
President

By: Sherrill Bateman  
Secretary/Treasurer



cc: Hugh Garner & Associates

Richard P. Smoot

August 3, 1983

S.W. Energy Corporation  
847 East 400 South  
Salt Lake City, UT  
84102

Gentlemen:

This is to advise you that the Board of State Lands will consider the matter of the ownership of the Salt Water Disposal Well in the Salt Wash Field of Grand County, Utah, named the Suniland State A-2 Well and future uses of this well at its meeting to be held August 10, 1983. This meeting will be held at 10:00 a.m. in the auditorium of the Campus of Utah State University in Logan, Utah. You are invited to be in attendance and present your views on this matter. The Board normally hears those items involving personal appearances at the beginning of their meeting, so I would suggest that you be present at that time.

If you have any questions, please let us know.

Yours very truly,

DONALD G. PRINCE  
ASSISTANT DIRECTOR

DGP/bp

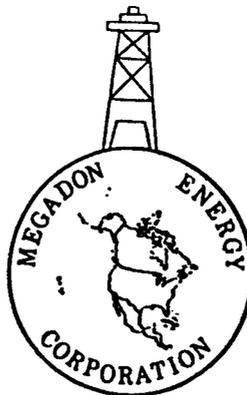
CC ✓ Oil, Gas, and Mining

Anne Stirba  
Attorney General's Office

10/10/83

Suite 440 / 57 West South Temple  
Salt Lake City, Utah 84101  
Bus. Tel: (801) 359-3575  
Res. Tel: (801) 295-1870

President: W. Don Quigley  
Vice President: Margaret Quigley  
Secretary: Sherrill L. Bateman

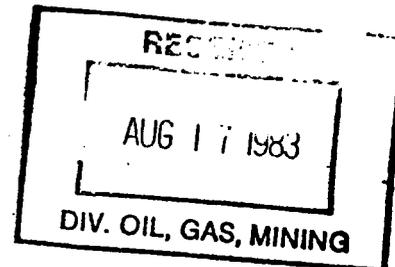


August 15, 1983

Governor Scott Matheson  
State of Utah

Mr. David Munson  
Lieutenant Governor  
State Of Utah

Mr. T. Reynolds  
Department of Natural Resources



Re: Salt Wash Oil Field and Water  
Disposal Well (Suniland State A-2)  
Grand County, Utah

Dear Sirs:

Perhaps you are not aware of a situation which has been in dispute for nearly two years which seriously effects the State of Utah as well as the U.S. Government and various oil and gas lease holders.

My Company, Megadon Energy Corporation, has been in dispute with Mr. Dick Smoot and the State Oil & Gas Board and State Land Board over the use of a well on State lands in the Salt Wash Oil Field for the disposal of produced water from the oil production of the field. The well, the Suniland State A-2, was drilled by Pan American Corporation (now Amoco) in 1963 and after a period of 2 years of oil production which was disappointing due to improper completion was later abandoned. Consolidated Oil & Gas Co. became the leasee of a subsequent oil and gas lease on the State Section 16, T 23S, R 17E on which the Suniland State A-2 is located and requested permission of the Oil & Gas Board to convert the well into a disposal well for water produced from other wells in the Salt Wash Field. This request was granted by a letter from the Staff without proper advertising or formal Board hearing and approval. This was done despite the fact that the well was located on the highest point of the structure of the field and the disposal zone was to be the oil producing zone in the field. Proper requirements and procedures as outlined in Rule C-11, which then covered disposal wells, were not adhered to. Consolidated Oil & Gas Company's oil and gas lease on Section 16 expired in June, 1976 and the ownership of the Suniland State A-2 well plus equipment reverted back to the State. However, Consolidated made an assignment of the well to Mr. Smoot after their lease had expired and so they really assigned nothing to Mr. Smoot. Mr. Smoot has thus been using the well illegally and has been in trespass for over seven years (since 1976). A subsequent oil and gas lease on Section 16 was then issued to Skyline Oil Co. in July, 1976 and my company, Megadon Energy Corporation, is now the Operator of that lease. This lease was issued to Skyline with no restrictions or reservations made regarding the exclusive use of the Suniland State A-2 well by Mr. Smoot.

Megadon has drilled a well on Section 16, offsetting the Suniland State A-2 well, at a cost of over one million dollars and is unable to produce the well due to contamination of the oil production zone by the disposed water which Mr. Smoot is injecting. The oil production zone in these wells is at a depth of 8700' to 8800', and we have incontrovertible proof that the water is being injected at a



August 15, 1983

Page 2

depth of 8750' to 8780'. Megadon ran a tracer element survey of the well at a cost of \$7,000 to obtain this proof. The State Oil & Gas Board and staff have chosen to ignore this data entirely. Furthermore, it is virtually positive that fresh water from the Coconino formation at a depth of 2500' to 2800' is also leaking into the production zone due to holes in the casing. Communication of the injected water with the oil production zone is further established by the fact that oil will flow out the casing at the surface when water is being injected into the tubing of the Suniland State A-2 well.

At a recent meeting of the State Land Board, Mr. Smoot was given a special use permit to continue the use of the Suniland State A-2 well for disposal of water which he produces from wells on adjacent federal lands. This was done despite the fact that Megadon had applied for a similar special use permit approximately 10 months prior to Mr. Smoot's application. It is unconceivable that a man who has been in trespass for 7 years and illegally using State resources for his own personal gain without remuneration to the State could be rewarded by granting him a special use permit on a lease in which he has no interest. It is unfortunate that Mr. Smoot is not more concerned about protection of the State's resources; however, if he were objective he would realize that the damage to oil production of the field will eventually reach his wells, if it is not already effecting his production.

It is our contention that the present condition of Suniland State A-2 well is unsuitable for the injection of disposal water; that serious damage is being caused to the potential oil production of the field. It is roughly estimated that the State has lost over \$50,000 in oil royalties to date by this improper injection and may lose many hundreds of thousands of dollars in the future if this practice is allowed to continue and depending on the extent of the damage.

Megadon has offered to take over the subject well and complete it as an oil producing well from which the State would receive royalty payments, but our application was refused on the grounds that the well was being used for water disposal purposes. In most all states and on federal lands, oil and/or gas production takes precedent over water disposal. It is quite possible that the well could be made to produce 50 to 100 barrels of oil daily, and this is certainly more important to the State than furnishing a place to dispose of water produced from wells in which the State has no interest.

Megadon desires to complete its present well, the Salt Wash #1-16A, located in the SW.SE. of Section 16 for oil production and drill two or three more wells on Section 16; but cannot do so as long as the serious damage to the production zone is being allowed to continue. It doesn't make sense for Mr. Smoot to inject his water into our wells so that we have to produce it again and dispose of it for him.

A serious mistake was made originally in permitting the structurally highest well in the field to be used as a disposal well and allowing the water to be injected

Suite 440 / 57 West South Temple  
Salt Lake City, Utah 84101  
Bus. Tel: (801) 359-3575  
Res. Tel: (801) 295-1870

President: W. Don Quigley  
Vice President: Margaret Quigley  
Secretary: Sherrill L. Bateman



August 15, 1983

Page 3

into the oil producing zone. Normally, a well far down the flank of the structure and at the edge of the field is chosen for such a purpose, and extreme care is taken to insure that the potentially productive zones are not damaged.

The situation is critical and we have little choice but to take this matter to civil court to obtain a resolution. It is certainly in the best interests of the State for them to join us rather than oppose us in this case. We either want the Suniland A-2 well to be properly plugged and abandoned or be allowed to complete the well for oil production. We do not wish to use the well for disposal purposes in its present condition and water injection should be ceased immediately.

Sincerely yours,

*W. Don Quigley*  
W. Don Quigley  
President

WDQ:sb



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

September 12, 1983

M E M O R A N D U M

TO: Department of Natural Resources and Energy

FROM: Division of Oil, Gas and Mining  
R. J. Firth, Chief Petroleum Engineer  
G. L. Hunt, UIC Geologist

SUBJECT: Letter dated August 15, 1983 to Governor Scott Matheson, Mr. David Monson and Mr. T. Reynolds from W. Don Quigley, President, Megadon Energy Corporation

As indicated in the referenced letter, a situation involving the operation and use of a salt water disposal well in the Salt Wash oil field in Grand County has been the subject of disputation as to the condition and various circumstances of the well for sometime. This salt water disposal well, the Suniland State A-2, is located the SE 1/4 SW 1/4 of Section 16, Township 23 South, Range 17 East, SLM, Grand County. This well was originally drilled by Pan American Petroleum Corporation, now Amoco Production Company, under State of Utah oil and gas lease, ML 2113, which covered Section 16, Township 23 South, Range 17 East, SLM. The well produced for approximately 16 months but due to production water intrusion, the well did not prove to be commercially productive and was plugged in 1965, and the lease was eventually cancelled.

On May 23, 1966, the State issued oil and gas lease ML 23506 on Section 16 to Barr Smedley which lease was later assigned to Consolidated Oil and Gas, Inc.. Consolidated Oil and Gas, Inc. made application to the Utah Oil and Gas Conservation Commission, now the Board of Oil, Gas and Mining for permission to deepen the well and convert it to a water disposal well in the Leadville interval of the Mississippian formation for 8750 feet to 8900 feet. This application was approved on May 26, 1969, in accordance with Rule C-11, which rule did not require a hearing unless written objection to the action was received from lessees of interest within a radius of one-half mile of the well. In addition, prior to conversion of the well to water disposal status, the Mississippian formation was re-evaluated for possible oil and gas production potential by perforating and stimulating the interval 8726 feet to 8736 feet. Results of this testing indicated recovery of inert gas and salt water, thus precluding the possibility of any possible oil and gas production potential. Utah State oil and gas lease ML 23506 was terminated in June 1976.

On July 30, 1976, Utah State oil and gas lease, ML 33348, was issued to Skyline Oil Company, and Skyline Oil Company then entered into agreement to allow Megadon Energy Corporation to become operator of this lease. Consolidated Oil and Gas, Inc. continued to operate the salt water disposal well, Suniland State A-2, even though their oil and gas lease on the land had terminated. In December, 1978, Consolidated Oil and Gas, Inc., by assignment, conveyed any interest that they might still have in the Suniland State A-2 well to Richard P. Smoot. This assignment was subsequently approved by the Utah State Division of State Lands and Forestry and Richard P. Smoot has operated the water disposal well since December 22, 1978.

Megadon Energy Corporation spudded their well, the State 1-16A, located in the SW 1/4 SE 1/4 of Section 16, Township 23 South, Range 17 East, SLM., on May 24, 1981 and completed the well in the Mississippian formation interval from 8670 feet to 8750 feet on September 17, 1981.

By receipt of a copy of a letter dated October 5, 1981, from W. Don Quigley, President, Megadon Energy Corporation, to Richard P. Smoot, the Division of Oil, Gas and Mining became aware that a controversy was developing regarding the operation and use of the Suniland State A-2 water disposal well. Since that time, the condition, operation and use and the ownership of this well has been the subject of several hearings before the Board of Oil, Gas and Mining.

On October 22, 1981, a hearing was held before the Board, upon the application of Megadon (Cause No. WD-102) requesting an order authorizing Megadon to use the disposal well. The request to use the well was dismissed without prejudice until the question as to ownership of the well was resolved.

On December 17, 1981, a hearing was held before the Board upon the application of Megadon (Cause No. WD-102 (B)) for an order to show cause requesting that the disposal well be plugged and abandoned or re-worked so as to prevent damage and intrusion of the disposed salt water to the producing formation. The Board ordered Richard P. Smoot to conduct a casing pressure test to determine any leakage in the disposal well.

On February 25, 1982, the Board reconvened the hearing in Cause No. WD-102 (B) to consider the results of the pressure test which was conducted on January 6, 1982, and filed with the Board on January 11, 1982 and received evidence and heard argument as to the sufficiency of the casing pressure test. The Board ordered that the application of Megadon to use the well be denied; that the results of the casing pressure test conducted by Richard P. Smoot be accepted as being in compliance with the prior order of the Board; that Richard P. Smoot be allowed to continue disposal of salt water into the well; and that Megadon be authorized, but not required to conduct a radioactive tracer survey to further ascertain possible leakage in the well.

On August 26, 1982, the Board reconvened the hearing in Cause No. WD-102 (B) to review the results of the radioactive tracer survey which was conducted on July 14, 1982 by Megadon. The Board ordered that the matter again be continued pending resolution of the issue of ownership of the well by the Utah Board of State Lands and Forestry.

On February 24, 1983, the Board reconvened the hearing in Cause No. WD 102 (C) to again review the results of the radioactive tracer survey, the suspected leak in the tubing or packer and the effect of the water disposal upon oil and gas strata and fresh water horizons in the Salt Wash Field. The Board ordered that the application of Megadon be denied insofar as it requests that the well be plugged and abandoned; that the radioactive tracer survey results and conclusions by the Division Staff be approved; that Richard P. Smoot conduct operations to properly condition the well for water disposal in conformance with all applicable Underground Injection Control Rules and Regulations pertaining to existing Class II water injection wells; that Richard P. Smoot be authorized to continue disposal of salt water into the well in the interval from 8750 feet to 8900 feet, pursuant to the original approval granted by the Utah Oil and Gas Conservation Commission, now the Board of Oil, Gas and Mining on May 26, 1969; and that Richard P. Smoot comply with such requirements and regulations relating to the operation and use of the well as may legally be imposed by the Utah Division of State Lands and Forestry.

On August 10, 1983, at their regular meeting, the Utah Board of State Lands and Forestry considered the application of S. W. Energy Corporation (Richard P. Smoot) for a Special Use Lease for operation of the Suniland State A-2 water disposal well. Megadon Energy Corporation opposed the application on the basis that S. W. Energy Corporation had no legal right to operate the salt water disposal well. The Board ordered that the Special Use Lease Application for S. W. Energy Corporation be approved with a provision for the disposal of salt water by Megadon Energy Corporation or any other operator in the Salt Wash Field and subject to S. W. Energy Corporation (Richard P. Smoot) compliance with the Order of the Board of Oil, Gas and Mining of February 24, 1983.

In addition, Megadon Energy Corporation, (plaintiff), filed a lawsuit in District Court on May 10, 1983, naming Richard P. Smoot, S. W. Energy Corporation; The Board of Oil, Gas and Mining; and Temple A. Reynolds, Executive Director of the Department of Natural Resources and Energy for the State of Utah as defendants. The plaintiff seeks an order of the court to declare the order of the Board of Oil, Gas and Mining of February 25, 1983, to be arbitrary and capricious and requesting modification of the order and to issue a temporary restraining order and preliminary injunction enjoining and restraining defendants Smoot and S. W. Energy from using and reconditioning the water disposal well until the ownership has been determined and the order of the Board has been modified.

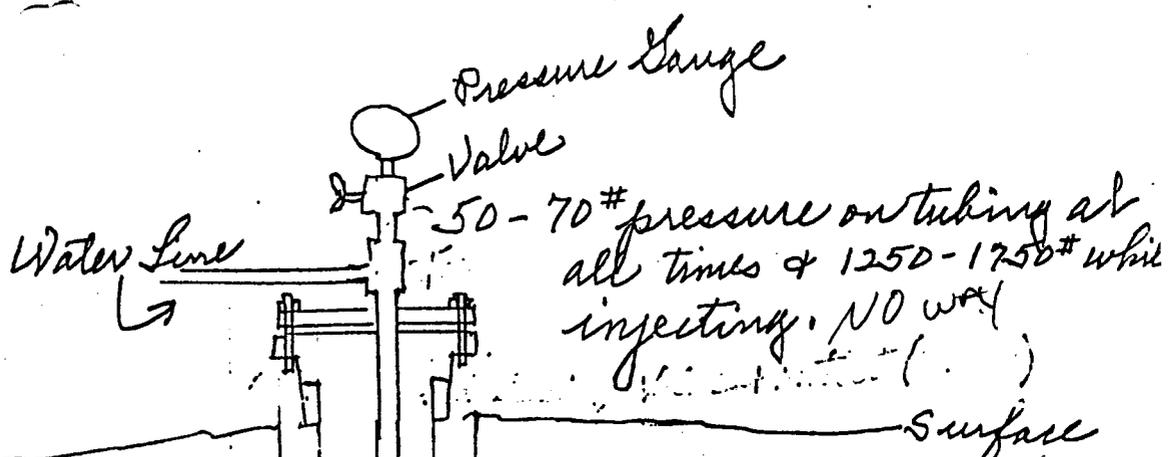
It has been evident during the numerous hearings that the public airing of contending company complaints, opinions and circumstances has superseded the acceptance by the companies of the suitable scientific and engineering evidence that has been presented and upon which the Board has relied for an equitable decision.

Also, some of the conclusions and statements expressed by Mr. Quigley, in behalf of Megadon Energy Company, in the referenced letter appear to be personal opinions only and lack appropriate and accurate substantiation.

Namely;

- 1) That the proper requirements and procedures as outlined in Rule C-11 were not adhered to in permitting the water disposal well. As previously stated, the Sunniland State A-2 well was permitted as a water disposal well by Consolidated Oil and Gas, Inc. in complete accordance with Rule C-11.
- 2) That the State Oil and Gas Board and staff have chosen to ignore the tracer survey data entirely. The Board and staff agree that the water is being disposed of into the interval 8750 feet and below as verified by the tracer survey and in conformance with the specified interval in the original approved application.
- 3) The assertion that the fresh water Coconino formation is communicating with the water disposal interval due to holes in the casing. This situation is unlikely; in fact, almost impossible. During the course of conducting the radioactive tracer survey, the static fluid level inside the tubing was estimated to be at approximately 1000 feet based on the volume of fluid pumped. Based on this fact, the bottom hole pressure at the interval of water disposal would be in excess of 3300 psig. It is unreasonable to assume that a fresh water interval from a depth of 2500 feet to 2800 feet would have sufficient pressure to combat and communicate with the much higher pressured water disposal interval. Also, no valid proof has been established to indicate holes in the well casing.
- 4) Megadon states that an application submitted by them to complete the water disposal well as an oil producing well was refused on the grounds that the well was being used for water disposal. The Division received the Application for Permit to Plug Back the Suniland State A-2 well on April 4, 1983, which was signed by W. Don Quigley indicating Megadon Energy Corporation as Operator. The application was returned to Megadon on April 6, 1983, because the Division records of the injection well indicated Richard P. Smoot as operator, therefore the Megadon Energy Corporation application to recomplete as an oil well was being returned without action. It is not the practice of the Division to approve any type of application or action on a well without a proper indication of ownership or designation of operator.
- 5) Statements by Mr. Quigley regarding an improper completion by Pan American Petroleum Corporation of the Sunniland State A-2 well; conjectures as to possible producing rates of 50 to 100 barrels of oil daily and estimates that the State has lost over \$50,000 in oil royalties are conclusions deduced by surmise or guesswork.

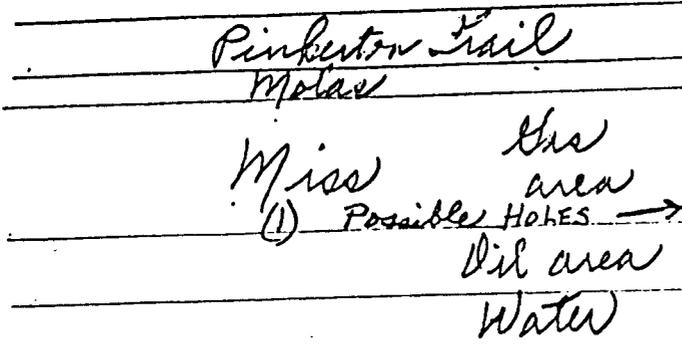
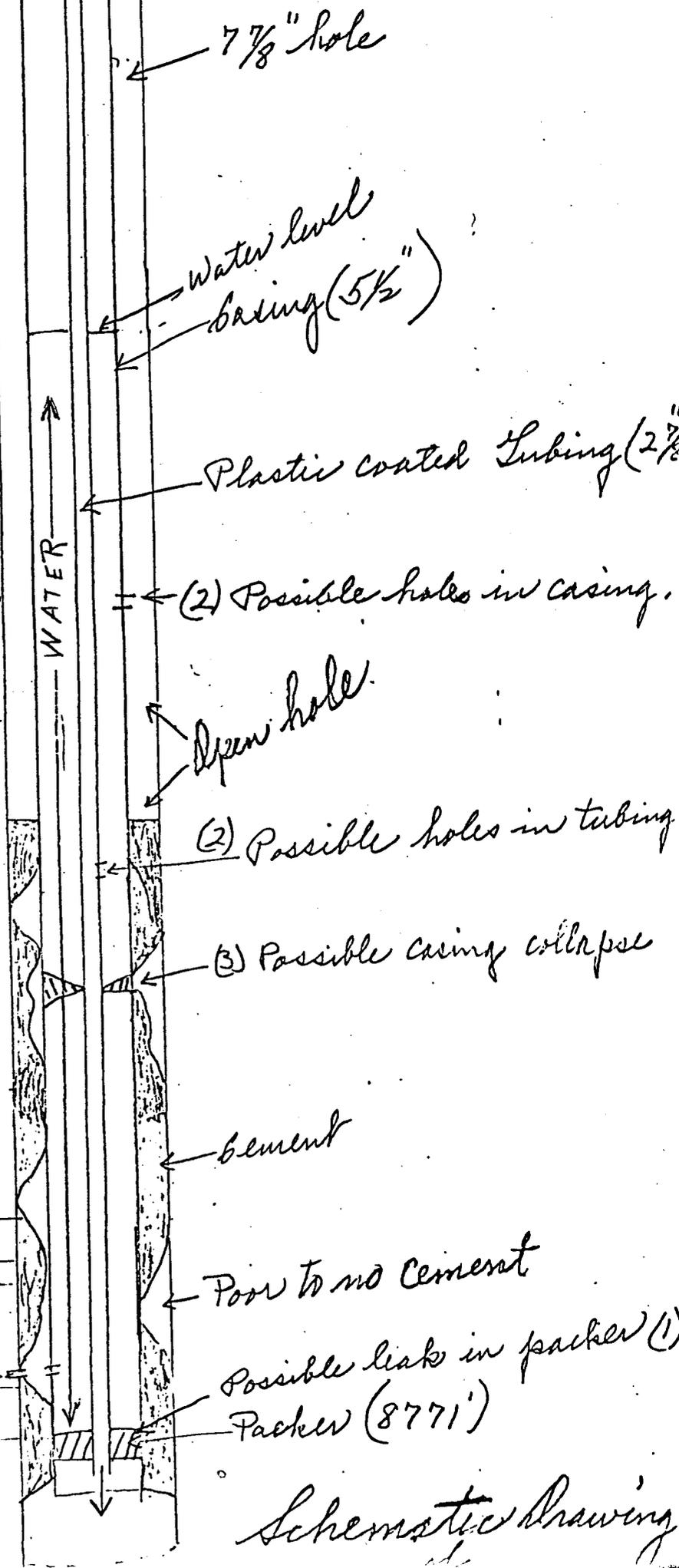
It is the Division Staff's conclusion, which is substantiated by information developed by the Geological and Mineral Survey Staff, that the Megadon Salt Wash 1-16A well is in a structurally high relationship to the Sunniland State A-2 well. Although in retrospect, the Sunniland State A-2 well might not have been the optimum well, structurally, for use as a water disposal well, the well was thoroughly tested for oil production possibilities prior to its conversion to a water disposal well. It is not unusual in the industry to utilize uneconomical, depleted or watered-out oil wells for water disposal and injection purposes. It is felt that in this case, the oil production of the reservoir has not been adversely affected nor are any fresh water sources being endangered by use of the Sunniland State A-2 well for water disposal purposes.



Possible Unknown Conditions!

- (1) If packer leaks & there is a hole in casing at pt. (1), then water being injected could be going into oil & gas zone.
- (2) If there are holes in tubing and casing at pts. (2), then injected water could be going into some other unknown zone.
- (3) If casing is collapsed or bridged around tubing, then pressure tests on casing are inconclusive.

Salt Section



Schematic Drawing



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

December 5, 1983

Mr. Richard P. Smoot  
S. W. Energy Corporation  
847 East 400 South  
Salt Lake City, Utah 84102

Re: Sunniland State A-2 Water Disposal Well  
Section 16, T. 23S, R. 17E, Grand County  
ORDER - Cause No. WD-102(C),  
February 25, 1983

Dear Mr. Smoot:

Pursuant to your conversation with R. J. Firth on December 1, 1983, this will confirm that the Board of Oil, Gas and Mining requests your immediate compliance with the requirements of the above referenced Order. The Sundry Notices and Reports on Wells dated April 25, 1983 and approved by the Division on April 27, 1983 will suffice as notification of these operations. You should promptly notify the Division as to when these operations will commence, so that a Division inspector can be present.

Best Regards,

A handwritten signature in cursive script that reads "Dianne R. Nielson".

Dianne R. Nielson  
Director

DRN/cf

cc: Megadon Energy Corporation  
Division of State Lands

Form UIC 10  
August, 1982

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
4241 State Office Building  
Salt Lake City, Utah 84114

WELL INTEGRITY REPORT

Date 11/17/84

Water Disposal Well  Enhanced Recovery Well  Other

DOGM/UIC Cause Number \_\_\_\_\_

Company SW Energy - Richard Smoot

Address \_\_\_\_\_

City and State \_\_\_\_\_ Zip Code \_\_\_\_\_

Lease Name or Number \_\_\_\_\_ Well Name or Number Sunland A2

API Well Number 43-019-10833 Location SE 1/4 of SW 1/4 of \_\_\_\_\_

Section 16 Township 23S Range 17E County Grand

Present at Completion: \_\_\_\_\_ Yes  No

Casing Tested in My Presence:  Yes \_\_\_\_\_ No Pressure 1000 PSI 10 Minutes *Surface pressure*

Packer Tested in My Presence:  Yes \_\_\_\_\_ No Pressure 1000 PSI 10 Minutes

Surface-Prod. Csg. Annulus \_\_\_\_\_ PSI Prod. Csg.-Tubing Annulus 1000 PSI

Disposed/Injected Water Sample Taken:  
\_\_\_\_\_ Yes  No (Attach water analysis when obtained)

This well seems to be completed in accordance with DOGM Rule I:  
Yes  No \_\_\_\_\_. If NO, write report.

Remarks: pulled tubing + pte, replaced pte + 3 jts tubing immediately above pte. Pres. tested annulus to 1000 psia. (See back for details)

I hereby certify that this report is true and complete to the best of my knowledge.

Name of Operator Smoot

(Signature) (Title)

[Signature]  
DOGM Field Inspector

1/14/84

Summitland A2

Monument Well Service Rig # 7

Tilt w/ tubing & pka, circulated with bit @ 8800' to try and clean out hole to 8900'.  
Had to go to Grand Jet. to get power switch.

1/16/84

Cleaned out with 4" rx bit to 8900', recovered pieces of shale, teflon coating, sand etc.

Tilt w/ tubing & pka stopped & set pka @ 2550 and pressured annulus to ~400 psi held ok.

1/17/84

Finished Tilt had a little trouble setting pka  
Set pka @ ~8770'

mixed 1 barrel corrosion inhibitor with ~124 bbls salt water and reverse circulated to fill annulus.

pressure tested annulus @ 1000 psi for 10 min.

Held ok.

~~AS~~

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

3. LEASE DESIGNATION AND SERIAL NO

Suniland A-2

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELL PLUGGING

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

OIL, GAS & MINING

1. OIL WELL  GAS WELL  OTHER  Salt Water Disposal Well

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR  
S. W. ENERGY CORPORATION

8. FARM OR LEASE NAME

3. ADDRESS OF OPERATOR  
847 East Fourth South, Salt Lake City, Utah 84102

9. WELL NO.

43-019-10833 - A-2

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
At surface

10. FIELD AND POOL, OR WILDCAT

Salt Wash

11. SEC., T., R., M., OR BLK. AND SUBST OR ARRA

T23S, R17E, Sec 16:  
SE 1/4 SW 1/4

14. PERMIT NO.

15. ELEVATIONS (Show whether of, ft, or, etc.)

12. COUNTY OR PARISH

Grand

13. STATE

Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON\*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT\*

(Other) Replace packer

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

- 1/12/84 Moved Monument Well Service Rig 7 onto location. Installed BOP. Unseated Model R-3 packer. Pulled 120 stands and SDFN. Hauled 5 jts 2 7/8" tubing from tank battery.
- 1/13/84 Finished POOH. Tubing looked good. Packer rubber elements were bad. Made up 4 1/2" bit on 2 7/8" tubing. Tagged fill at 8801'. SDFN
- 1/14/84 Attempted to wash out fill with rig pump and power tongs. Could not wash below 8804' w/ tongs. SD for Sunday. Ordered out power swivel for Monday.
- 1/15/84 No activity
- 1/16/84 Tagged fill at 8804'. Drilled out to 8900'. Recovered sand, scale, and some plastic coating. Loss 100 bbls. FSW while circulating. POOH. Made up 5 1/2" 23#/ft Model R-3 packer on 2 7/8" tubing. Ran 85 stands. Set packer and tested casing and tubing to 800psi. Held OK. Released packer and SDFN.
- 1/17/84 Finished in hole. Set packer at 8764'. K.B. w/ 35,000 lbs. (same as before). Tested casing w/ 1000 psi for 10 minutes. Released rig. Test was witness by Gilbert Hunt and Pat deGruyter w/ Utah Oil, Gas and Mining.

\*APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 1/20/84  
BY: [Signature]

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

SIGNED Thomas E. Walter

TITLE Consulting Petroleum Eng. DATE 1/20/84

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE

\*In Compliance with Order of  
Case No. WD-102(C), 2/25/82.



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

January 26, 1984

TO: Board of Oil, Gas and Mining

FROM: R. J. Firth, Petroleum Engineer *RJF*

SUBJECT: Order - Cause No. WD-102(C),  
February 25, 1983  
Sumiland State A-2 Water  
Disposal Well, Section 16, T. 23S, R. 17E,  
Grand County, Utah

Attached is a copy of the Underground Injection Control, Well Integrity Report of January 17, 1984, for the referenced well. It appears that Mr. Richard P. Smoot and S. W. Energy Corporation has complied with the requirements of the Order of Cause No. WD-102(C).

CHECKLIST FOR INJECTION WELL APPLICATION AND FILE REVIEW  
\* \* \* \* \*

Operator: SW Energy Well No. Sunland A-2  
 County: Grand T 235 R 17E Sec. 16 API# 43-019-108 33  
 New Well  Conversion  Disposal Well  Enhanced Recovery Well

	<u>YES</u>	<u>NO</u>	
UIC Forms Completed	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Plat including Surface Owners, Leaseholders, and wells of available record	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Schematic Diagram	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Fracture Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Pressure and Rate Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Adequate Geologic Information	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Fluid Source			<u>Mississippian</u>
Analysis of Injection Fluid	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	TDS <u>164,430</u>
Analysis of Water in Formation to be injected into	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	TDS <u>164,430</u>
Known USDW in area	<input type="checkbox"/>		Depth <input type="checkbox"/>
Number of wells in area of review	<u>3</u>	<u>NC Prod.</u>	Depth <u>1</u> P&A <u>2</u>
			Water <u>0</u> Inj. <u>0</u>
Aquifer Exemption	Yes <input type="checkbox"/>	NA <input checked="" type="checkbox"/>	
Mechanical Integrity Test	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
			Date <u>11-17-84</u> Type <u>1000 PSI</u> <u>10 min</u> *

Comments: \* after replacing Packerc TOC 250'

---



---

Reviewed by: \_\_\_\_\_

87/04/23 12:55

RECEIVED  
APR 29 1987

~~Utah State~~  
~~Dept~~

DIVISION OF  
OIL, GAS & MINING

T 23S R17E SEC 17 MISS FORMATION BRINE WAT  
S.W.ENERGY  
847 E 4TH S  
SALT LAKE CITY UT 84102 532-6664

UTAH STATE HEALTH LABORATORY  
Environmental Chemistry Analysis Report

Description:	T 23S R17E SEC 17 MISS FORMATION BRINE WAT		
Site ID:	Source: 00		
Cost Code:	900B		
Lab Number:	8701684	Type: 04	<u>Date of Review and QA Validation</u>
Sample Date:	87/03/27	Time:	Inorganic Review: 87/04/21
Tot. Cations:	71020		Organic Review:
Tot. Anions:	1100 me/l	Cations: 3138.6	Radiochemistry Review:
Grand Total:	72120 me/l	Anions:	22.9 Microbiology Review:

Laboratory Analyses

Sodium 62000 mg/l

B

Reserve Oil & Gas Co.  
No. 1 SALT WASH NORTH  
N.E. SW Sec. 9 - T 23 S, R 17 E  
K.B. - Elev. 4463'

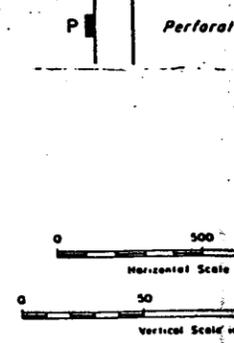
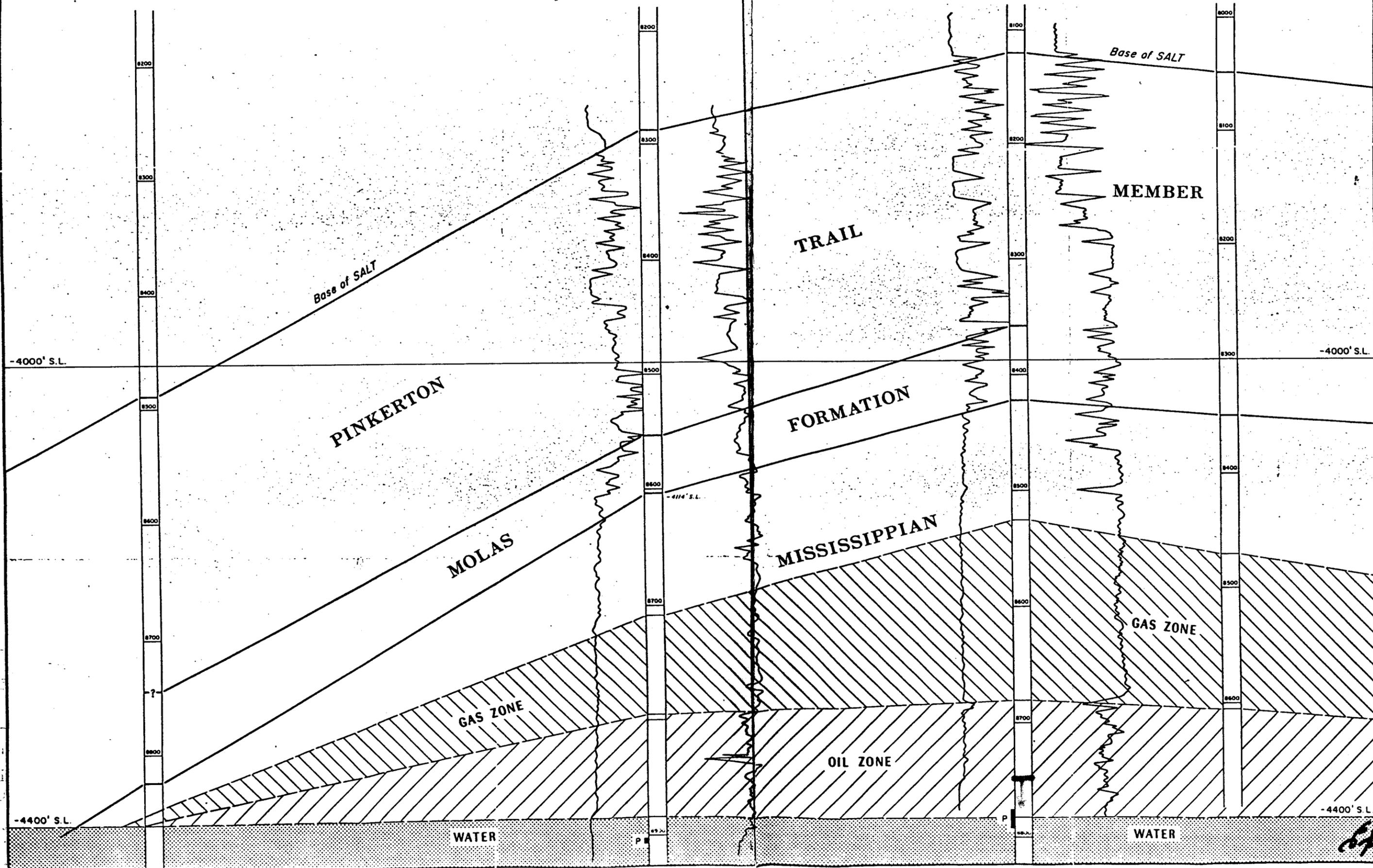
Shell Oil Co.  
C.F.I. No. 22-16  
S.E. NW Sec. 16 - T 23 S, R 17 E  
K.B. - Elev. 4490'

Pan American  
SUNNILAND ST. No. A-2  
S.E. SW Sec. 16 - T 23 S, R 17 E  
K.B. - Elev. 4388'

Proposed Well  
SKYLINE S.W. No. 1  
N.E. NW Sec. 21 - T 23 S, R 17 E  
K.B. - Elev. 4302'

B'

EXPLANATION



CROSS SECTION  
SALT WASH  
Grand County

W. Don Qu...  
August 20, 19...

7000 lbs

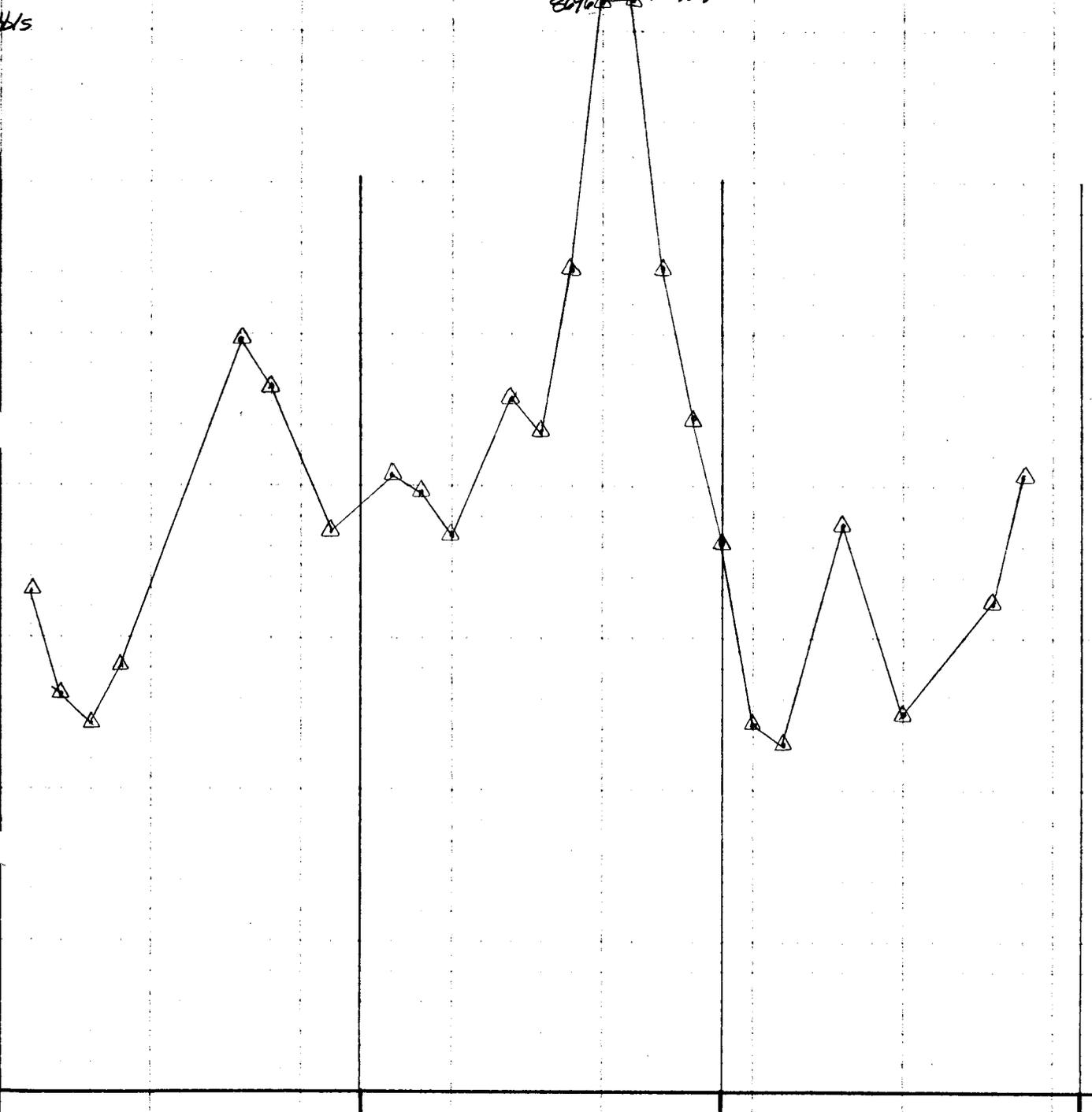
Injected Amounts (monthly)  
Suniland A-2 Well  
Sec. 16, 235, 17E

7000  
6000  
5000  
4000  
3000  
2000  
1000  
0

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 Dec.

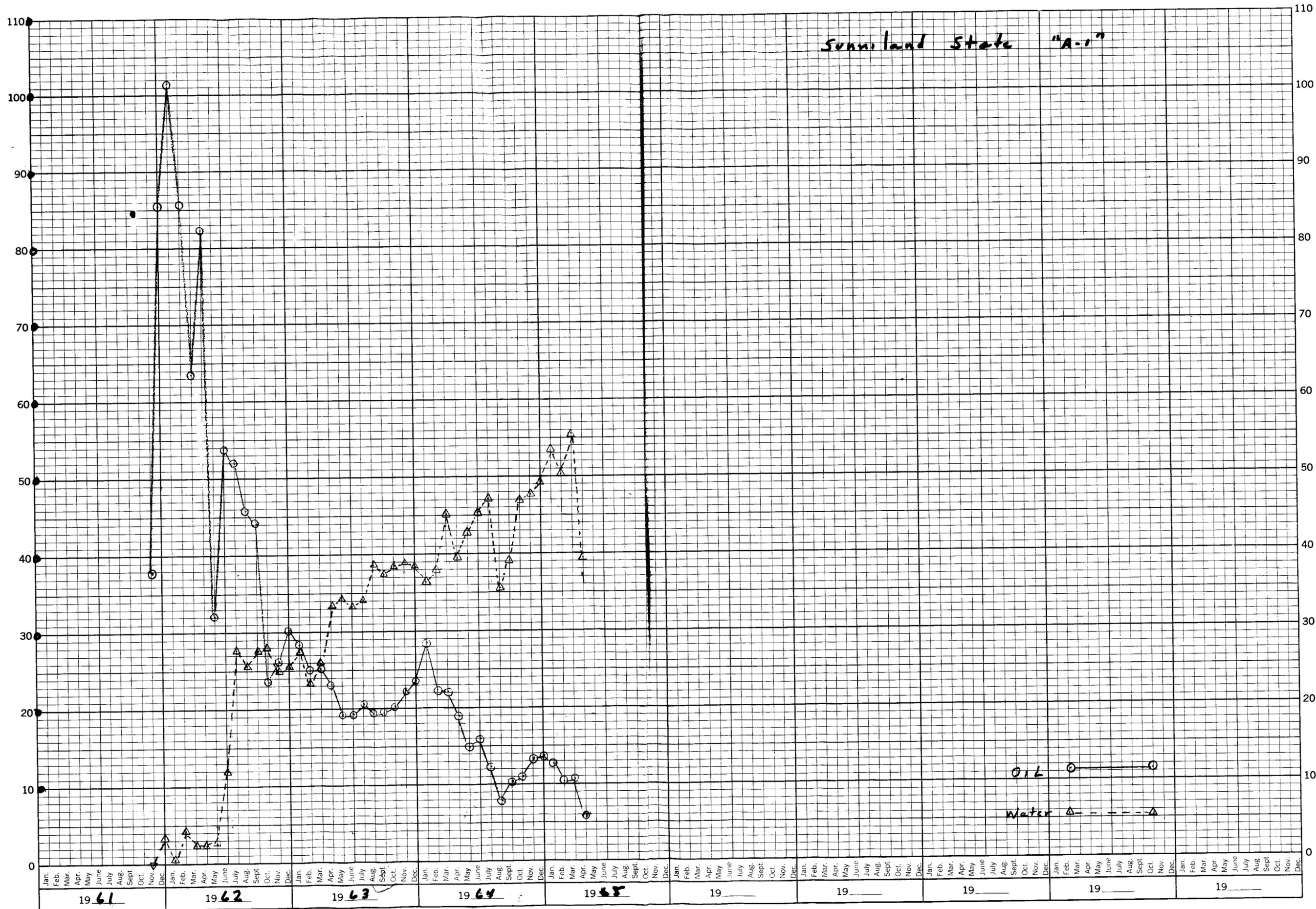
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1982  
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 Dec.





Sunniland State "A-1"



Oil ○ — — — — ○  
Water △ - - - - △



S.W. ENERGY CORPORATION  
847 EAST FOURTH SOUTH  
SALT LAKE CITY, UTAH 84102  
TELEPHONE (801) 532-6664

RECEIVED  
NOV 09 1989

DIVISION OF  
OIL, GAS & MINING

6 November 1989

MT  
43-019-10833

Mr. Gil Hunt  
UIC Program Manager  
Department of Natural Resources  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Dear Mr. Hunt:

Regarding your letter of September 25 requesting a pressure test for the Suniland State A-2 well, Section 16, T 23 S, R 17 E, Grand County, Utah, the following has transpired:

Contacts were made for Mr. Jarvis to be present at the testing, but that could not be conveniently arranged. However, the results were provided him by telephone.

Halliburton came in for the test on Saturday, October 14, which failed. On the 16 and 17 of October, Colorado Well Services released the packer and pulled tubing from the well, locating one joint of tubing which was defective and was the cause of the pressure test failure. This particular joint was removed, a new packer was run and set and on the 18 of October Halliburton returned to complete their test and acidize the basal formation to conform with our usual maintenance procedure for the well.

Enclosed is Halliburton's pressure test report to comply with your regulations and to qualify said well for the next five years. I hope this meets with your approval. If you need any additional information on this test, please notify me and I will provide it.

Sincerely,



Richard P. Smoot

Enc.

S.W. ENERGY CORPORATION  
847 EAST FOURTH SOUTH  
SALT LAKE CITY, UTAH 84102  
TELEPHONE (801) 532-6664

RECEIVED

JUL 10 1991

DIVISION OF  
OIL GAS & MINING

10 July 1991

Mr. Gilbert Hunt  
Supervisor Environmental/Geologist  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

43-019-20658  
43-019-10833

Dear Mr. Hunt:

Enclosed is the official survey covering the line running from the disposal Well #2 to the Gorman #1 well in section 21, Township 23 South, Range 17 East, Grand County, Utah, which was permitted by your office on December 13, 1990.

Sincerely yours,

S. W. ENERGY CORPORATION



Richard P. Smoot

Enc.

RPS:ED

# PROPOSED WATER DISPOSAL LINE ON U.S.A. (B.L.M.) & UTAH STATE LANDS

(From State A-2 to Gorman #1)

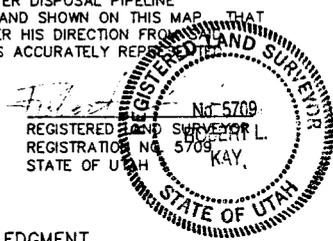
LOCATED IN  
SECTIONS 16 & 21, T23S, R17E, S.L.B.&M.  
GRAND COUNTY, UTAH

### WATER DISPOSAL RIGHT-OF-WAY ON U.S.A. (B.L.M.) LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 706.65' OR 0.13 MILES.  
WIDTH OF RIGHT-OF-WAY IS 20' (10' PERPENDICULAR ON EACH  
SIDE OF THE CENTERLINE).  
TOTAL AREA IN RIGHT-OF-WAY IS 0.32 ACRES.

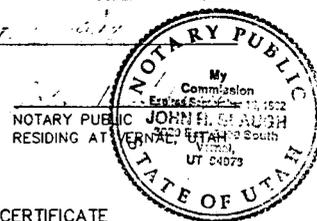
### ENGINEER'S AFFIDAVIT

STATE OF UTAH  
COUNTY OF UTAH S.S.  
ROBERT L. KAY, BEING FIRST DULY SWORN, DEPOSES AND  
STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR S.W.  
ENERGY, THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER  
HIS SUPERVISION): THAT HE HAS EXAMINED THE FIELD NOTES  
OF THE SURVEYS OF THIS WATER DISPOSAL PIPELINE  
RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT  
THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM THE  
FIELD NOTES; AND THE SAME IS ACCURATELY REPRESENTED.



### ACKNOWLEDGMENT

SUBSCRIBED AND SWORN TO BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_  
1991.  
MY COMMISSION EXPIRES \_\_\_\_\_



### APPLICANT'S CERTIFICATE

I, \_\_\_\_\_ DO HEREBY CERTIFY THAT I AM THE  
AGENT FOR SW ENERGY, HERINAFTER DESIGNATED THE APPLICANT;  
THAT ROBERT L. KAY WHO SUBSCRIBED TO THE FOREGOING  
AFFIDAVIT, IS EMPLOYED BY THE APPLICANT TO SURVEY THE  
LOCATION OF THIS WATER DISPOSAL PIPELINE RIGHT-OF-WAY AND  
TO PREPARE THIS MAP: THAT THE LOCATION OF SAID WATER  
DISPOSAL PIPELINE RIGHT-OF-WAY, BEGINNING AND ENDING AS  
SHOWN HEREON IS ACCURATELY REPRESENTED: THAT SUCH SURVEYS  
AS REPRESENTED ON THIS MAP HAVE BEEN ADOPTED BY THE  
APPLICANT AS THE DEFINITE LOCATION OF THE PROPOSED WATER  
DISPOSAL PIPELINE RIGHT-OF-WAY THEREBY SHOWN; AND THAT  
THIS MAP HAS BEEN PREPARED TO BE FILED WITH THE SECRETARY  
OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS A  
PART OF THE APPLICATION FOR SAID FACILITIES TO BE GRANTED  
THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT  
TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON  
AND THEREOVER, FOR SUCH PURPOSES AND WITH THE FURTHER RIGHT  
IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, TO TRANSFER  
THIS WATER DISPOSAL PIPELINE RIGHT-OF-WAY BY ASSIGNMENT,  
GRANT, OR OTHERWISE.

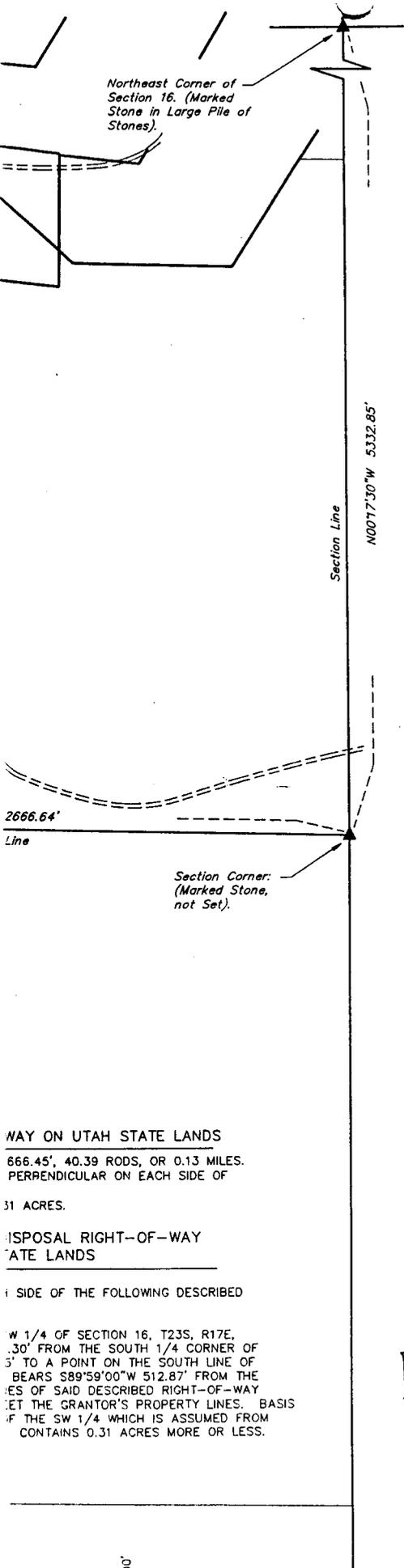
APPLICANT \_\_\_\_\_

TITLE \_\_\_\_\_

RECEIVED

JUL 10 1991

DIVISION OF  
OIL GAS & MINING



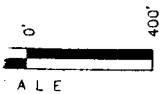
WAY ON UTAH STATE LANDS  
666.45', 40.39 RODS, OR 0.13 MILES.  
PERPENDICULAR ON EACH SIDE OF

31 ACRES.

DISPOSAL RIGHT-OF-WAY  
STATE LANDS

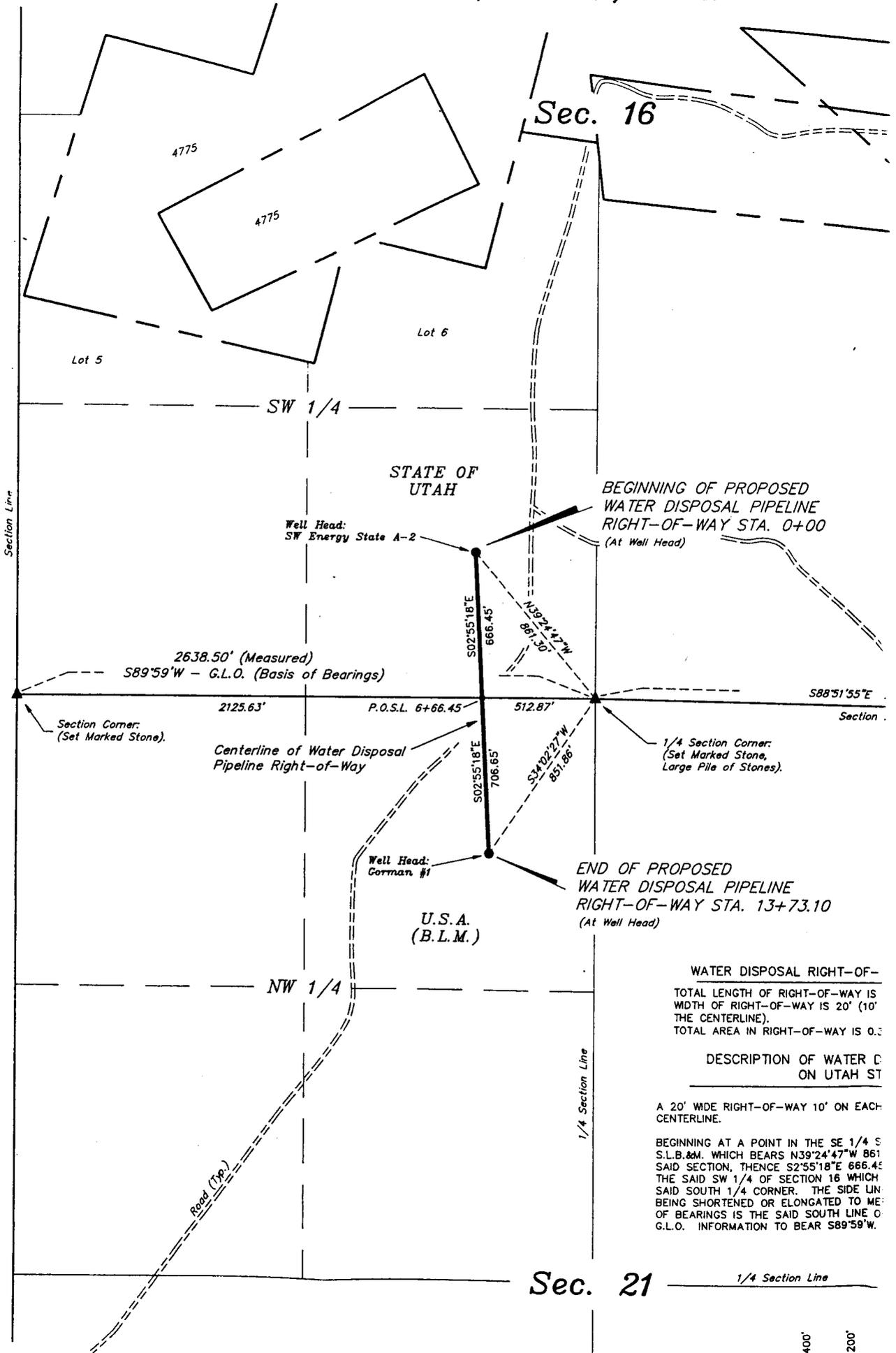
SIDE OF THE FOLLOWING DESCRIBED

W 1/4 OF SECTION 16, T23S, R17E,  
.30' FROM THE SOUTH 1/4 CORNER OF  
3' TO A POINT ON THE SOUTH LINE OF  
BEARS S89°59'00\"/>



UNTS UTAH ENGINEERING & LAND SURVEYING	
PHONE: (801) 789-1017	
85 SOUTH 200 EAST - VERNAL, UTAH 84078	
SCALE: 1" = 400'	DATE: 7-3-91
SURVEYED BY: D.A. K.K.	DRAWN BY: J.R.S.
WEATHER:	FILE:

T23S, R17E, S.L.B.&M.



Sec. 16

Sec. 21

STATE OF UTAH

U.S.A. (B.L.M.)

BEGINNING OF PROPOSED WATER DISPOSAL PIPELINE RIGHT-OF-WAY STA. 0+00 (At Well Head)

END OF PROPOSED WATER DISPOSAL PIPELINE RIGHT-OF-WAY STA. 13+73.10 (At Well Head)

WATER DISPOSAL RIGHT-OF-WAY  
 TOTAL LENGTH OF RIGHT-OF-WAY IS 13733.10'  
 WIDTH OF RIGHT-OF-WAY IS 20' (10' THE CENTERLINE).  
 TOTAL AREA IN RIGHT-OF-WAY IS 0.2

DESCRIPTION OF WATER DISPOSAL PIPELINE RIGHT-OF-WAY ON UTAH STATE

A 20' WIDE RIGHT-OF-WAY 10' ON EACH CENTERLINE.

BEGINNING AT A POINT IN THE SE 1/4 S. 16 T. 23 S. R. 17 E. S. L. B. & M. WHICH BEARS N39°24'47"W 861.50' SAID SECTION, THENCE S2°55'18"E 666.45' TO THE SAID SW 1/4 OF SECTION 16 WHICH SAID SOUTH 1/4 CORNER. THE SIDE LINE BEING SHORTENED OR ELONGATED TO MEET THE SAID G.L.O. OF BEARINGS IS THE SAID SOUTH LINE OF G.L.O. INFORMATION TO BEAR S89°59'W.

▲ = SECTION CORNERS LOCATED.



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

5. LEASE DESIGNATION AND SERIAL NO.  
ML-45209

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

7. UNIT AGREEMENT NAME

1. OIL WELL  GAS WELL  OTHER  Disposal well

8. FARM OR LEASE NAME  
Suniland State "A" Unit

2. NAME OF OPERATOR  
S. W. ENERGY CORPORATION

9. WELL NO.  
A-2

3. ADDRESS OF OPERATOR  
847 East Fourth South, Salt Lake City, Utah 84102

10. FIELD AND POOL, OR WILDCAT  
Salt Wash

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface

11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA  
SE 1/4 SW 1/4 sec 16, 23S-17E  
SLM

SE 1/4 SW 1/4 sec 16, T23S-R17E, SLM

14. PERMIT NO.  
4301910833

15. ELEVATIONS (Show whether OF, RT, GR, etc.)  
4388 (D.F.)

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON\*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

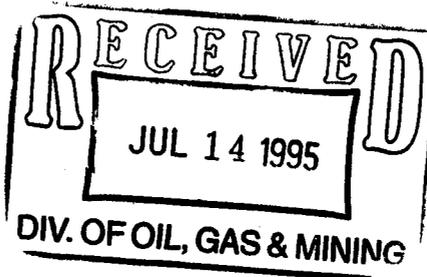
ABANDONMENT\*

(Other)

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Acidized disposal formation: FE-HCL 15% (1000 gal)



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

SIGNED

TITLE Chairman

DATE

July 10, 1995

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**REGISTRATION**  
MAR 19 1996

Lease Designation and Serial Number:  
ML45209 (ML-2113)

**SUNDRY NOTICES AND REPORTS ON WELLS OIL, GAS & MINING**

If Indian, Allottee or Tribe Name:

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

7. Unit Agreement Name:

1. Type of Well: OIL  GAS  OTHER: Conversion from disposal well to oil and gas well

8. Well Name and Number:  
Suniland State A2

2. Name of Operator:  
S. W. ENERGY CORPORATION (801) 532-6664

9. API Well Number:  
API 43-019-10833

3. Address and Telephone Number:  
847 East Fourth South, Salt Lake City, Utah 84102

10. Field and Pool, or Wildcat:  
Salt Wash Field

4. Location of Well  
Footages:  
QQ, Sec., T., R., M.: SE 1/4 SW 1/4 sec 16, T23S-R17E, SLM

County: Grand  
State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

**NOTICE OF INTENT**  
(Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate date work will start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other Conversion from injection well to oil and gas well
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Date of work completion 13 January 1996

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

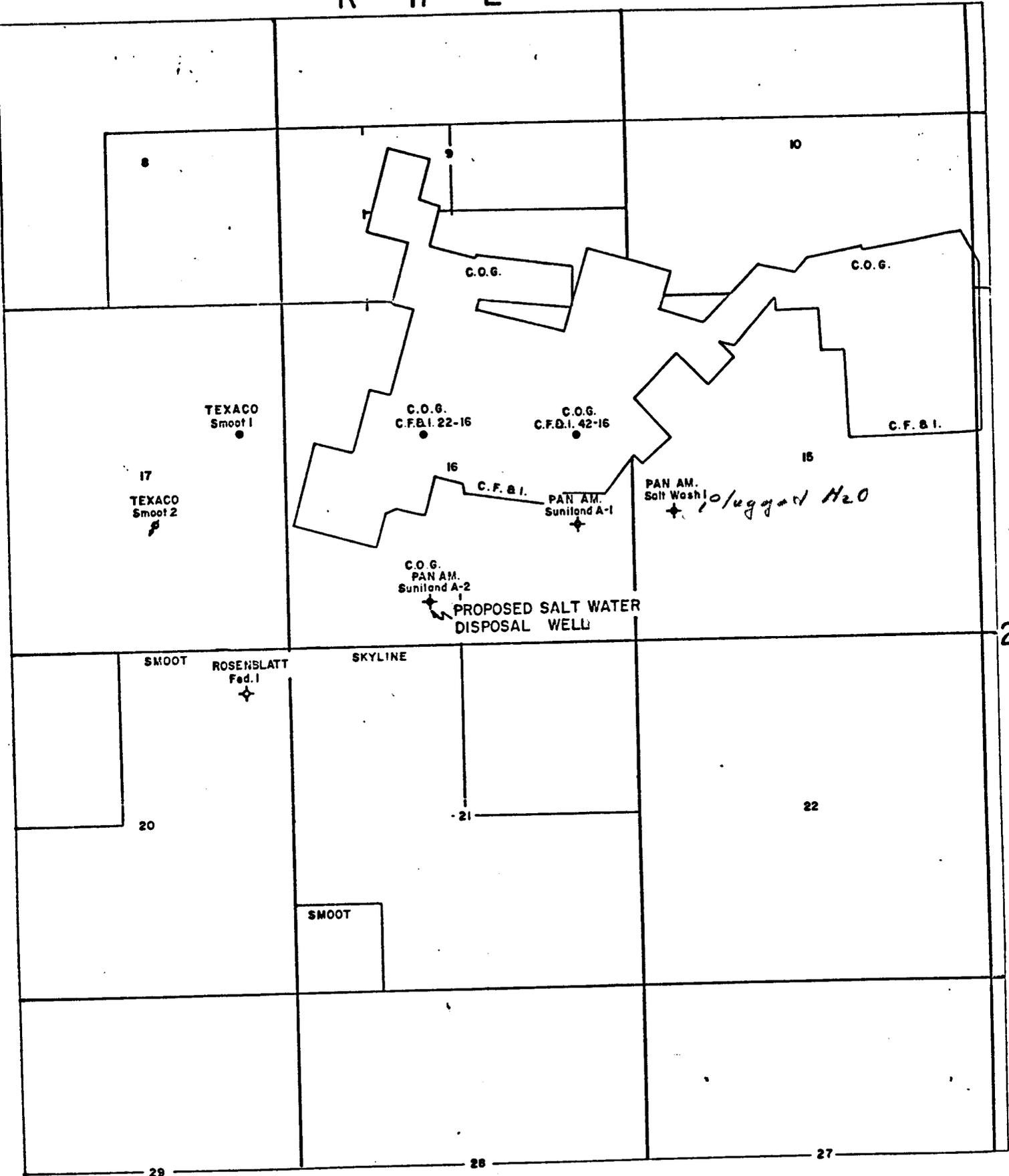
Workover from 11-30-95 to 12-12-95. Ran Schlumberger DDT log on Dec. 1. Tested casing and tubing to 1000 psi. Perforated well 8685-8690, 8489-8491, 8440-8444, 8422-8428, 4 spf. Elder model C bridge plug set at 8720. R-3 packer set at 8345. Acidized well on December 8: Dowell Schlumberger acidized with 15% acid, 2520 gallons at 1400 psi to 2000 psi maximum on tubing. Completing the installation of production facilities. Testing of well follows.

13.

Name & Signature: Richard P. Swoot Title: Chairman Date: 27 Feb 1996

(This space for State use only)

R 17 E



T  
23  
S

- ⊕ DRY HOLE
- OIL WELL
- ⊕ SALT WTR. DISPOSAL WFL

# SALT WASH FIELD

GRAND COUNTY, UTAH

BEFORE THE OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF )  
CONSOLIDATED OIL & GAS, INC. FOR )  
AUTHORITY TO DISPOSE OF WATER INTO )  
THE LEADVILLE ZONE OF THE SUNILAND )  
STATE "A" UNIT #2, SALT WASH FIELD, )  
GRAND COUNTY, UTAH. )

APPLICATION

Comes now, Consolidated Oil & Gas, Inc., a Colorado corporation (duly qualified to do business in the State of Utah) and represents and alleges as follows:

I

The Applicant owns certain Oil and Gas Leases covering, among other property, Section 16, Township 23 South, Range 17 East, S. L. M., Grand County, Utah. Said Section 16 lies within the Salt Wash Field.

II

A plugged well exists in the SE/4 SW/4 of said Section 16, numbered Suniland State "A" Unit #2. The casing in said well Suniland State "A" Unit #2 consists of 5-1/2-inch 17 lbs./ft. N-80 casing set at 8783 feet from the rotary bushing cemented with 1250 sacks of cement. This casing will be pressure tested. The well was originally perforated and produced from the Leadville at 8775 - 8781 feet and 8783 - 8792 feet, open hole. The well was plugged in July, 1965.

III

The Applicant requests authority to inject water for disposal purposes into the Leadville interval of the Mississippian formation in the interval of 8750 feet to 8900 feet in the subject well. The Schlumberger Gamma Ray-Sonic Log attached shows the log of the well down to 8783 feet. These depths are measured from the rotary bushing elevation of 4386 feet above sea level. The cement plugs in subject well must be drilled out in order to convert this well to salt water disposal. The proposed injection into the Leadville shall be

through plastic-coated tubing in said well with a packer set above the interval at approximately 8700 feet.

#### IV

The water to be disposed of through said well is salt water, brackish water and other water unfit for domestic livestock, irrigation or other general uses which is or will be produced in conducting operations in connection with other wells in the Salt Wash Field.

#### V

It is proposed to initially inject from 1,000 to 2,000 barrels of water per day into this disposal well. It may be necessary to dispose of waste water through said well obtained from wells to be drilled in the Salt Wash Field in the future.

#### VI

The proposed injections will not cause damage to fresh water, oil, gas or other minerals.

#### VII

Attached hereto is a plat showing the location of the proposed disposal well and all other wells in the Salt Wash Field, including any abandoned wells.

#### VIII

Following is a list of the names and addresses of lessees having record interests in lands situated within a radius of one-half mile of the proposed disposal well:

- |   |  |
|---|--|
| 1) Texaco, Inc.<br>Farmington, New Mexico           | 3) Skyline Oil Company<br>418 Atlas Building<br>Salt Lake City, Utah |
| 2) Barr Smedley<br>Box 1347<br>Salt Lake City, Utah | 4) Richard P. Smoot<br>847 E. 4th S.<br>Salt Lake City, Utah         |

Submitted herewith is a certificate showing that copies of this application have been mailed by registered mail to each of the persons named above.



CERTIFICATE

I, E. J. Henderson, Chief Engineer of Consolidated Oil & Gas, Inc., do hereby certify that a copy of the enclosed Application was sent by prepaid, registered mail on the 9th day of May, 1969, to the following lessees having record interests in lands situated within a radius of one-half mile of the proposed disposal well:

1) Texaco, Inc.  
Petroleum Club Plaza  
Farmington, New Mexico

2) Barr Smedley  
Box 1347  
Salt Lake City, Utah

3) Skyline Oil Company  
418 Atlas Building  
Salt Lake City, Utah

4) Richard P. Smoot  
847 E. 4th S.  
Salt Lake City, Utah

Executed this 9th day of May, 1969

  
E. J. Henderson

OPERATOR S W ENERGY CORPORATION

OPERATOR ACCT. NO. 2860

ADDRESS (RICHARD SMOOT)

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
D	99990	11895	43-019-10833	SUNILAND STATE A-2	SESW	16	23S	17E	GRAND		1-13-96
WELL 1 COMMENTS: * WELL CONV FR WDW TO PROD. O&G WELL EFF 1-13-96.											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

L. CORDOVA (DOGM)

Signature

ADMIN. ANALYST

Title

4-8-96

Date

Phone No. ( )

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

Routing:  

1	REC-7-CTL
2	OPS-7-SJ
3	MAIL-8-FILE
4	FILE
5	FILE
6	FILM

Attach all documentation received by the division regarding this change.  
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (~~well sold~~)       Designation of Agent  
 Designation of Operator       Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 1-13-96)

TO (new operator) <u>S W ENERGY CORPORATION</u>	FROM (former operator) <u>SMOOT, RICHARD P</u>
(address) <u>847 E 4TH S</u>	(address) <u>847 E 4TH S</u>
<u>SALT LAKE CITY UT 84102</u>	<u>SALT LAKE CITY UT 84102</u>
phone ( <u>801</u> ) <u>532-6664</u>	phone ( <u>801</u> ) <u>532-6664</u>
account no. <u>N 2860</u>	account no. <u>N0850</u>

Well(s) (attach additional page if needed):

Name: SUNILAND STATE A-2/MSSPAPI:43-019-10833 Entity: 11895 Sec 16 Twp 23S Rng 17E Lease Type: ML45209  
 Name: \_\_\_\_\_ API: \_\_\_\_\_ Entity: \_\_\_\_\_ Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_ Lease Type: \_\_\_\_\_  
 Name: \_\_\_\_\_ API: \_\_\_\_\_ Entity: \_\_\_\_\_ Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_ Lease Type: \_\_\_\_\_  
 Name: \_\_\_\_\_ API: \_\_\_\_\_ Entity: \_\_\_\_\_ Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_ Lease Type: \_\_\_\_\_  
 Name: \_\_\_\_\_ API: \_\_\_\_\_ Entity: \_\_\_\_\_ Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_ Lease Type: \_\_\_\_\_  
 Name: \_\_\_\_\_ API: \_\_\_\_\_ Entity: \_\_\_\_\_ Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_ Lease Type: \_\_\_\_\_

**OPERATOR CHANGE DOCUMENTATION**

- N/A 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form).
- lec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec'd 3-19-96) \* Spoke w/Smoot to confirm op. name change.
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) \_\_\_\_\_ If yes, show company file number: \_\_\_\_\_.
- N/A 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- lec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (4-8-96)
- lec 6. Cardex file has been updated for each well listed above. (4-8-96)
- lec 7. Well file labels have been updated for each well listed above. (4-8-96)
- lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (4-8-96)
- lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- Yes 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form). *Entity from 99990/WDW to 11895.*
- Yes 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (~~Fee wells only~~) *ML-45209/Trust Lands "Bond Increase in progress"*

- Yes 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- N/A 2. A copy of this form has been placed in the new and former operators' bond files.
- N/A 3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date \_\_\_\_\_ 19\_\_\_\_. If yes, division response was made by letter dated \_\_\_\_\_ 19\_\_\_\_.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated \_\_\_\_\_ 19\_\_\_\_, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

UDR 1. All attachments to this form have been microfilmed. Date: April 12 1996.

FILING

- 1. Copies of all attachments to this form have been filed in each well file.
- 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

960408 *Copy of this change to Trust Lands for follow-up "bonding".*

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL  GAS  OTHER:

2. Name of Operator:  
S. W. ENERGY CORPORATION

3. Address and Telephone Number:  
847 East Fourth South, Salt Lake City, Utah 84102 (801)532-6664

4. Location of Well

Footages:

QQ, Sec., T., R., M.: T23S, R17E Sec 16

5. Lease Designation and Serial Number:

ML-45209

6. If Indian, Allocated or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

Suniland A-2

9. API Well Number:

43-019-10833

10. Field and Pool, or Wildcat:

County: Grand

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT  
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start \_\_\_\_\_

SUBSEQUENT REPORT  
(Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other CONVERSION FROM WATER DISPOSAL WELL TO SHUT IN GAS WELL. Ran logs, perforated, completed as gas well. 12-11-95  
Date of work completion \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Suniland A-2 well was originally approved as a single purpose well for salt water disposal on May 26, 1969, by order of the then Utah State Oil and Gas Conservation Commission. This well has been effectively operational as a disposal well from 1969 to December 1995.

On Dec 1, 1995, Schlumberger ran a Dual Burst Thermal Decay Log 5000 to 8784 feet; 12-4-95: 5½ CBP bridge plug set at 8720 with 5' of sand on top. 12-5-95: 8665-8690, 8489-8491, 8440-8444, 8422-8428; gun type 3-3/8; charge type was HJ2, and shot density four JSPF at each of above perforations. Well converted from disposal well to shut-in gas well, 2500 psi.

13.

Name & Signature:

*Richard R. Moot*

Title:

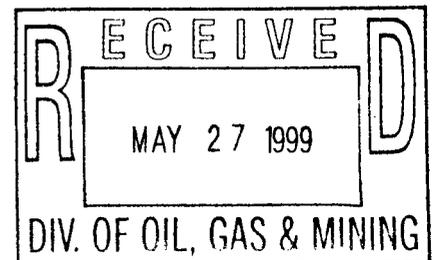
*Chr*

Date:

*May 26, 99*

(This space for State use only)

(See Instructions on Reverse Side)



STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Boreal Number	ML-45209
6. If Indian, Allocated or Tribal	
7. Unit Agreement Name	
8. Well Name and Number	Suniland A-2
9. API Well Number	43-019-10833
10. Field and Pool, or Wildcat	

1. Type of Well: OIL  GAS  OTHER:

2. Name of Operator:  
S. W. ENERGY CORPORATION

3. Address and Telephone Number:  
847 East Fourth South, Salt Lake City, Utah 84102 (801)532-6664

4. Location of Well  
Footages:  
OO, Sec., T., R., M.: T23S, R17E Sec 16

County: Grand  
State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

**NOTICE OF INTENT**  
(Submit in Duplicate)

Abandon  
 Repair Casing  
 Change of Plans  
 Convert to Injection  
 Fracture Treat or Acidize  
 Multiple Completion  
 Other

New Construction  
 Pull or Alter Casing  
 Recomplete  
 Reperforate  
 Vent or Flare  
 Water Shut-Off

Approximate date work will start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

Abandon  
 Repair Casing  
 Change of Plans  
 Convert to Injection  
 Fracture Treat or Acidize  
 Other

New Construction  
 Pull or Alter Casing  
 Reperforate  
 Vent or Flare  
 Water Shut-Off

**CONVERSION FROM WATER DISPOSAL WELL TO SHUT IN GAS WELL.** Ran logs, perforated completed as gas well. 12-11-95  
Date of work completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions in different recompletion or COMPLETION OR RECOMPLETION REPORT AND LOG form.  
\* Must be accompanied by a cement verification report.

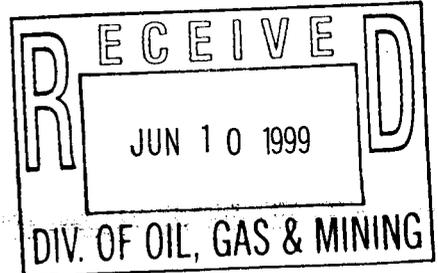
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give boreal and pattern, depth or directional, and surface locations and measuring system vertical depths for all markers and zones pertinent to this work.)

Suniland A-2 well was originally approved as a disposal well for water disposal on May 26, 1969, by order of the Utah State Oil and Gas Conservation Commission. This well has been in operation as a disposal well from 1969 to December 1995.

On Dec 1, 1995, Schlumberger ran a Dual Borehole Interval Decay Log 8000 to 8784 feet; 12-4-95: 5 1/2 CBP bridge plug set at 8720 feet; 12-5-95: 8665-8690, 8489-8491, 8440-8442 (12-5-95); well type was HJ2, and shot density four 3.25 at each of above perforations. Well converted from disposal well to shut in gas well. 12-11-95

13. Name & Signature: Richard D. Moot Title: Manager

(This space for State use only)





State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

MICHAEL O. LEAVITT  
*Governor*

OLENE S. WALKER  
*Lieutenant Governor*

March 19, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6501

Richard Smoot  
S.W. Energy Corporation  
899 Island Drive, No. 205  
Rancho Mirage, CA 92270-3143

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Mr. Smoot:

S.W. Energy Corporation, as of March 2004, has two (2) State Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

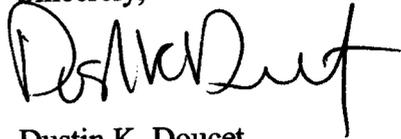
Page 2  
Richard Smoot  
March 19, 2004

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet  
Petroleum Engineer

jc  
cc: John Baza  
Well File  
SITLA

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	Suniland State A-2	43-019-10833	State	8 Years 2 Months
2	State 1-16A	43-019-30783	State	6 Years 4 Months

Attachment A



State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

MICHAEL O. LEAVITT  
*Governor*

OLENE S. WALKER  
*Lieutenant Governor*

April 12, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6327

Richard Smoot  
847 East 400 South  
Salt Lake City, Utah 84102

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Mr. Smoot:

In response to our discussions on March 31, 2004 I am enclosing several Form 9 Sundry Notices for your use. In our discussions you had stated that two of the wells would be plugged and abandoned (the CF&I 22-16 well and the CF&I 42-16 well) and the other two SW Energy wells (the Suniland State A-2 well and the State 1-16A well) would be reworked and either put into production or plugged and abandoned in 2004. Please fill out a sundry notice describing your plan for each well.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet  
Petroleum Engineer

cc: John Baza  
Well File

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML-45209</b>
2. NAME OF OPERATOR: <b>S. W. Energy Corporation</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: <b>847 E 400 S</b> CITY <b>Salt Lake</b> STATE <b>UT</b> ZIP <b>84102</b>		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ COUNTY: <b>Grand</b>		8. WELL NAME and NUMBER: <b>Suniland State A-2</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SESW 16 23S 17E SLM</b>		9. API NUMBER: <b>4301910833</b>
STATE: <b>UTAH</b>		10. FIELD AND POOL, OR WILDCAT:
PHONE NUMBER: <b>532-6664</b>		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>SI/TA extension</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This well is a shut-in gas well, and also a gas and oil well.

COPY SENT TO OPERATOR  
Date: 5-12-04  
Initials: CHD

NAME (PLEASE PRINT) Richard P. Smoot TITLE Chairman  
SIGNATURE [Signature] DATE 19 April 2004

(This space for State use only)

**THIS SUNDRY IS BEING RETURNED; INSUFFICIENT DATA WAS SUBMITTED TO TAKE ABOVE THE REQUESTED ACTION (see attached letter dated May 1, 2004).**

(5/2000)

(See Instructions on Reverse Side)

**RECEIVED**  
**APR 26 2004**  
D. K. [Signature]  
DIV. OF OIL, GAS & MINING  
Utah Division of Oil, Gas and Mining



State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

May 10, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 5092

Mr. Richard Smoot  
847 East 400 South  
Salt Lake City, Utah 84012

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated April 12, 2004.

Dear Mr. Smoot,

The Division of Oil, Gas and Mining (DOGGM) is in receipt of your four (4) sundries dated April 19, 2004 (received by the Division on 4/26/2004) in regards to the four (4) shut-in wells operated by your company. It is the Division's understanding you intend to plug and abandon the CF&I 22-16 well this year. Please submit plugging procedure for the CF&I 22-16 when completed.

In my certified correspondence dated April 12<sup>th</sup>, 2004, I describe my understanding of our March 31, 2004 telephone discussions when you stated the intentions to plug and abandon the CF&I 42-16 well; and the Suniland State A-2 and the State 1-16A wells would be reworked and either put into production or plugged and abandoned in 2004. The submitted sundries did not state any plan of action or future intentions for these three wells.

DOGGM requests that you resubmit sundries for the CF&I 42-16, the Suniland State A-2 and the State 1-16A wells stating your future intentions for these wells with a plan of action within 30 days receipt of this letter or further action may be initiated. If your intentions are to keep any of the wells shut-in it will be necessary to meet the extended shut-in and temporary abandonment well requirements as described in the certified letters we sent to your attention February 20<sup>th</sup> and March 19<sup>th</sup>, 2004.

For reference, Attachment A lists the wells subject to this request. In addition I have included several Form 9 Sundry Notices for your use. If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

Dustin Doucet  
Petroleum Engineer

cc well file

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	Suniland State A-2	43-019-10833	State	8 Years 2 Months
2	State 1-16A	43-019-30783	State	6 Years 4 Months

Attachment A

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	CF&I 22-16	43-019-15819	Fee	10 Years 9 Months
2	CF&I 42-16	43-019-15820	Fee	10 Years 9 Months

Attachment A



JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

**Division of Oil, Gas and Mining**

JOHN R. BAZA  
*Division Director*

February 4, 2009

Certified Mail No.: 7004 2510 0004 1824 6800

Richard Smoot  
S.W. Energy  
847 East 400 South  
Salt Lake City, UT 84102

Subject: Division Order to Plug and Abandon the Suniland State A-2 and State 1-16A wells operated by S.W. Energy

Dear Mr. Smoot:

As of the date of this Order S.W. Energy has not taken corrective action for Shut-in and Temporarily Abandoned Notices of Violation (see attachments) sent certified mail by the Division on November 29, 2007 (received November 30, 2007) and dated February 6, 2008 (received February 11, 2008).

The Division of Oil, Gas and Mining (the "Division") is hereby ordering S.W. Energy to Plug and Abandon two wells owned by S.W. Energy as follows:

1. Suniland State A-2 API No. 43-019-10833
2. State 1-16A API No. 43-019-30783

23 S 17 E 16

Division authority to order the wells plugged is found in The Oil and Gas Conservation General Rule R649-3-36. The wells shall be plugged in accordance with R649-3-24. Within 30 days of receipt of this order S.W. Energy shall submit notices of intent, for Division approval, to plug and abandon the wells.

Therefore, S.W. Energy has 30 days from receipt of this Order to enter into an agreement for execution of the Order.

S.W. Energy has the right to appeal the Division Order by filing to the Board of Oil, Gas and Mining a request for review according to procedures set forth in R649-10-6. A request for review of a Division Order must be filed with the secretary to the Board, Marianne Burbidge (801) 538-5302, within 30 days of issuance of the order.



Page 2

February 4, 2009

Subject: Division Order to Plug and Abandon

In the event S.W. Energy does not respond to the Division Plugging and Abandonment Order within 30 days of receipt, the Division will file for a formal hearing before the Board of Oil, Gas and Mining, as described in the Utah Administrative Code R641, requesting a Board Order to plug and restore the well sites. Should this matter be brought before the Board, the Division will seek bond forfeiture (R649-3-36), liability for plugging costs in excess of bond forfeiture amounts (R649-3-1-4) and civil penalties of up to \$10,000 per day for each day of violation (Utah Oil and Gas Conservation Act 40-6-11).

Questions regarding this Order may be directed to Clinton Dworshak, Compliance Manager at (801)-538-5280 or Dustin Doucet, Engineer at (801) 538-5281.

Sincerely,



Clinton Dworshak  
Compliance Manager

CD/js

Enclosures

cc: Gil Hunt, Associate Director  
Steve Alder, Assistant Attorney General  
Dustin Doucet, Engineer  
LaVonne Garrison, SITLA  
Compliance File  
Well File

N:\O&G Reviewed Docs\CLD



JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil Gas and Mining

JOHN R. BAZA  
*Division Director*

November 29, 2007

Certified Mail No. 70042510000418245186

S. W. Energy  
847 East 400 South  
Salt Lake City, Utah 84102  
Attn: Richard Smoot

RE: Notice of Violation of R649-3-36 & R649-3-1

Dear Mr. Smoot,

The Division of Oil, Gas & Mining, (the Division) is hereby issuing a Notice of Violation for the wells included in Exhibit "A". The issuance of this notice is for violation of UAC R-649-3-36.

The Division is also Ordering Full Cost Bonding for the wells included in Exhibit "A". The Division has estimated the amount of full cost bonding at \$301,155 as noted in the Exhibit. Division authority for requesting full cost bonding is found under UAC R-649-3-1-4.2 & 4.3.

The Division's evidence of rule violations includes Division Bonding Records, Inspection Records, General Well File Records, Production and Disposition Records and previous notifications as follows:

1. A letter from SITLA Canceling Lease No. 45209 dated October 3, 2007
2. A letter covering Shut-In and TA status dated April 19, 2004
3. A letter covering Shut-In and TA status dated March 19, 2004

There are several options available to you for resolution of this matter. The options are as follows:

1. Post Full Cost Bonding and submit a plan for restoring production within one year
2. Restore the wells to production immediately
3. Post the Full Cost Bonding, perform an MIT, and show good cause of future use
4. Plug and Abandon the wells noted in Exhibit "A"
5. Sell these assets to a party that will comply with Division Rules and Regulations.



Page 2

November 29, 2007

Notice of Violation API #4301910833 & 4301930783

In the event that you wish to dispute this Notice of Violation, you may request an informal adjudication according to the procedures set forth in R-649-10-3 et seq. The request for hearing must be made within 10 days of receipt of this letter. As an alternative you have the right to request a formal adjudication before the Board of Oil, Gas & Mining in accordance with R-641 et seq.

Should the matter be brought before the Board of Oil, Gas and Mining, the Division may seek bond forfeiture and Civil Penalties of up to \$10,000 per day of violation. The Division will also hold you, as principal owner, liable for plugging costs in excess of the bond forfeiture amounts.

You are hereby given 30 days from date of receipt of this letter to resolve the Violation noted and bring your wells into compliance with applicable Rules. The Division is aware that the SITLA lease for the wells in Exhibit "A" has been retained by the Trust Lands Administration and that option 2 may not be available to you.

Questions regarding this matter may be directed to Mr. Mike Hebertson, Manager of Enforcement and Hearings at 801 538-5333, or to Mr. Dustin Doucet, Engineer, at 801 538-5281.

Sincerely,



K. Michael Hebertson  
Manager, Enforcement & Hearings

js

Enclosures

cc: Compliance File  
Steve Alder. Attorney General  
Gil Hunt. Associate Director, OGM  
Dustin Doucet. Engineer  
Earlene Russell. Bonding Agent

EXHIBIT "A"

<b>Well Name</b>	<b>API #</b>	<b>Lease Type</b>	<b>Estimated Plugging Costs</b>	<b>Time SI/TA (years/months)</b>
Suniland State A-2	4301910833	SITLA	\$151,130.00	11Y
State 1-16A	4301930783	SITLA	\$150,025.00	9Y 2M
TOTAL			\$301,155.00	

7004 2510 0004 1824 5186

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**CERTIFIED MAIL RECEIPT**  
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Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To  
 ATTN: Richard Smoot SW ENERGY  
 Street, Apt. No.,  
 or PO Box No. 847 E 400 S  
 City, State, ZIP+4

PS Form 3800, June 2002 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
 ATTN RICHARD SMOOT  
 SW ENERGY  
 847 E 400 S  
 SALT LAKE CITY UT 84102

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee  
*[Signature]*

B. Received by (Printed Name) C. Date of Delivery  
 NOV 30 2001

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below.

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) 7004 2510 0004 1824 5186



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

## Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

February 6, 2008

Certified Mail No.: 7004 2510 0004 1824 5339

S. W. Energy  
847 East 400 South  
Salt Lake City, Utah 84102  
Attn: Richard Smoot

RE: 2<sup>nd</sup> Notice of Violation, R649-3-36 & Order to Post Full Cost Bonding R649-3-1

Dear Mr. Smoot,

As you have failed to respond to the NOV sent to you on the 29<sup>th</sup> of November 2007 the Division of Oil, Gas & Mining, (the Division) is hereby issuing a 2<sup>nd</sup> Notice of Violation for the wells included in Exhibit "A". The issuance of this notice is for violation of UAC R-649-3-36.

The Division has been made aware that SITLA has returned the lease payments and royalties made on this lease and has retained the lease. **Therefore, you are hereby Ordered to post Full Cost Bonding** for the wells included in Exhibit "A" or **Plug and Abandon the same immediately.** The Division has estimated the amount of full cost bonding at \$301,155 as noted in the Exhibit. Division authority for requesting full cost bonding is found under UAC R-649-3-1-4.2 & 4.3.

The Division's evidence of rule violations includes Division Bonding Records, Inspection Records, General Well File Records, Production and Disposition Records and previous notifications as follows:

1. A Notice Of Violation Dated November 29, 2007
2. A letter from SITLA Canceling Lease No. 45209 dated October 3, 2007
3. A letter covering Shut-In and TA status dated April 19, 2004
4. A letter covering Shut-In and TA status dated March 19, 2004

There are several options available to you for resolution of this matter. The options are as follows:

1. Post Full Cost Bonding and submit a plan for restoring production within one year
2. Restore the wells to production immediately
3. Post the Full Cost Bonding, perform an MIT, and show good cause of future use
4. Plug and Abandon the wells noted in Exhibit "A"
5. Sell these assets to a party that will comply with Division Rules and Regulations.



Page 2

February 6, 2008

2<sup>nd</sup> Notice of Violation, R649-3-36 & Order to Post Full Cost Bonding R649-3-1

In the event that you wish to dispute this Notice of Violation, you may request an informal adjudication according to the procedures set forth in R-649-10-3 et seq. The request for hearing must be made within 10 days of receipt of this letter. As an alternative you have the right to request a formal adjudication before the Board of Oil, Gas & Mining in accordance with R-641 et seq.

Should the matter be brought before the Board of Oil, Gas and Mining, the Division may seek bond forfeiture and Civil Penalties of up to \$10,000 per day of violation. The Division will also hold you, as principal owner, liable for plugging costs in excess of the bond forfeiture amounts.

You are hereby given 30 days from date of receipt of this letter to resolve the Violation noted and bring your wells into compliance with applicable Rules. Should you fail to execute this Order the Division will begin legal proceedings.

You are encouraged to contact the Division and come in for a meeting to negotiate a settlement and resolution concerning these wells. Questions regarding this matter may be directed to Mr. Mike Hebertson, Manager of Enforcement and Hearings at 801 538-5333, or to Mr. Dustin Doucet, Engineer, at 801 538-5281.

Sincerely,



K. Michael Hebertson  
Manager, Enforcement & Hearings

js

Enclosure

cc: Compliance File  
Steve Alder, Attorney General  
Gil Hunt, Associate Director, OGM  
Dustin Doucet, Engineer  
Earlene Russell, Bonding Agent

EXHIBIT "A"

<b>Well Name</b>	<b>API #</b>	<b>Lease Type</b>	<b>Estimated Plugging Costs</b>	<b>Time SI/TA (years/months)</b>
Suniland State A-2	4301910833	SITLA	\$151,130.00	11Y
State 1-16A	4301930783	SITLA	\$150,025.00	9Y 2M
<b>TOTAL</b>			<b>\$301,155.00</b>	

U.S. Postal Service  
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Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark  
Here

Sent To SW Energy Attn: Richard Smoot  
 Street, Apt. No. or PO Box No. 847 E. 400 S.  
 City, State, ZIP+4 SLC UT 84102

PS Form 3800, June 2002 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RICHARD SMOOT  
 S W ENERGY  
 847 E 400 S  
 SALT LAKE CITY UT 84102

2. Article Number  
 (Transfer from service label)

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee  
 B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

FEB 11 2001

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.  
 4. Restricted Delivery? (Extra Fee)  Yes

7004 2510 0004 1824 5339

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1035



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

November 29, 2007

Certified Mail No. 70042510000418245186

S. W. Energy  
847 East 400 South  
Salt Lake City, Utah 84102  
Attn: Richard Smoot

RE: Notice of Violation of R649-3-36 & R649-3-1

Dear Mr. Smoot,

The Division of Oil, Gas & Mining, (the Division) is hereby issuing a Notice of Violation for the wells included in Exhibit "A". The issuance of this notice is for violation of UAC R-649-3-36.

The Division is also Ordering Full Cost Bonding for the wells included in Exhibit "A". The Division has estimated the amount of full cost bonding at \$301,155 as noted in the Exhibit. Division authority for requesting full cost bonding is found under UAC R-649-3-1-4.2 & 4.3.

The Division's evidence of rule violations includes Division Bonding Records, Inspection Records, General Well File Records, Production and Disposition Records and previous notifications as follows:

1. A letter from SITLA Canceling Lease No. 45209 dated October 3, 2007
2. A letter covering Shut-In and TA status dated April 19, 2004
3. A letter covering Shut-In and TA status dated March 19, 2004

There are several options available to you for resolution of this matter. The options are as follows:

1. Post Full Cost Bonding and submit a plan for restoring production within one year
2. Restore the wells to production immediately
3. Post the Full Cost Bonding, perform an MIT, and show good cause of future use
4. Plug and Abandon the wells noted in Exhibit "A"
5. Sell these assets to a party that will comply with Division Rules and Regulations.



Page 2

November 29, 2007

Notice of Violation API #4301910833 & 4301930783

In the event that you wish to dispute this Notice of Violation, you may request an informal adjudication according to the procedures set forth in R-649-10-3 et seq. The request for hearing must be made within 10 days of receipt of this letter. As an alternative you have the right to request a formal adjudication before the Board of Oil, Gas & Mining in accordance with R-641 et seq.

Should the matter be brought before the Board of Oil, Gas and Mining, the Division may seek bond forfeiture and Civil Penalties of up to \$10,000 per day of violation. The Division will also hold you, as principal owner, liable for plugging costs in excess of the bond forfeiture amounts.

You are hereby given 30 days from date of receipt of this letter to resolve the Violation noted and bring your wells into compliance with applicable Rules. The Division is aware that the SITLA lease for the wells in Exhibit "A" has been retained by the Trust Lands Administration and that option 2 may not be available to you.

Questions regarding this matter may be directed to Mr. Mike Hebertson, Manager of Enforcement and Hearings at 801 538-5333, or to Mr. Dustin Doucet, Engineer, at 801 538-5281.

Sincerely,



K. Michael Hebertson  
Manager, Enforcement & Hearings

js

Enclosures

cc: Compliance File  
Steve Alder. Attorney General  
Gil Hunt. Associate Director, OGM  
Dustin Doucet. Engineer  
Earlene Russell. Bonding Agent

## EXHIBIT "A"

<b>Well Name</b>	<b>API #</b>	<b>Lease Type</b>	<b>Estimated Plugging Costs</b>	<b>Time SI/TA (years/months)</b>
Suniland State A-2	4301910833	SITLA	\$151,130.00	11Y
State 1-16A	4301930783	SITLA	\$150,025.00	9Y 2M
TOTAL			\$301,155.00	

7004 2510 0004 1824 5186

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Total Postage & Fees	\$

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Sent To  
 ATTN Richard Smoot SW ENERGY  
 Street, Apt. No.,  
 or PO Box No. 847 E 400 S  
 City, State, ZIP+4

PS Form 3800, June 2002 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
 ATTN RICHARD SMOOT  
 SW ENERGY  
 847 E 400 S  
 SALT LAKE CITY UT 84102

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee  


B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

NOV 30

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) 7004 2510 0004 1824 5186



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

February 6, 2008

Certified Mail No.: 7004 2510 0004 1824 5339

S. W. Energy  
847 East 400 South  
Salt Lake City, Utah 84102  
Attn: Richard Smoot

RE: 2<sup>nd</sup> Notice of Violation, R649-3-36 & Order to Post Full Cost Bonding R649-3-1

Dear Mr. Smoot,

As you have failed to respond to the NOV sent to you on the 29<sup>th</sup> of November 2007 the Division of Oil, Gas & Mining, (the Division) is hereby issuing a 2<sup>nd</sup> Notice of Violation for the wells included in Exhibit "A". The issuance of this notice is for violation of UAC R-649-3-36.

The Division has been made aware that SITLA has returned the lease payments and royalties made on this lease and has retained the lease. **Therefore, you are hereby Ordered to post Full Cost Bonding** for the wells included in Exhibit "A" or **Plug and Abandon the same immediately.** The Division has estimated the amount of full cost bonding at \$301,155 as noted in the Exhibit. Division authority for requesting full cost bonding is found under UAC R-649-3-1-4.2 & 4.3.

The Division's evidence of rule violations includes Division Bonding Records, Inspection Records, General Well File Records, Production and Disposition Records and previous notifications as follows:

1. A Notice Of Violation Dated November 29, 2007
2. A letter from SITLA Canceling Lease No. 45209 dated October 3, 2007
3. A letter covering Shut-In and TA status dated April 19, 2004
4. A letter covering Shut-In and TA status dated March 19, 2004

There are several options available to you for resolution of this matter. The options are as follows:

1. Post Full Cost Bonding and submit a plan for restoring production within one year
2. Restore the wells to production immediately
3. Post the Full Cost Bonding, perform an MIT, and show good cause of future use
4. Plug and Abandon the wells noted in Exhibit "A"
5. Sell these assets to a party that will comply with Division Rules and Regulations.



Page 2

February 6, 2008

2<sup>nd</sup> Notice of Violation, R649-3-36 & Order to Post Full Cost Bonding R649-3-1

In the event that you wish to dispute this Notice of Violation, you may request an informal adjudication according to the procedures set forth in R-649-10-3 et seq. The request for hearing must be made within 10 days of receipt of this letter. As an alternative you have the right to request a formal adjudication before the Board of Oil, Gas & Mining in accordance with R-641 et seq.

Should the matter be brought before the Board of Oil, Gas and Mining, the Division may seek bond forfeiture and Civil Penalties of up to \$10,000 per day of violation. The Division will also hold you, as principal owner, liable for plugging costs in excess of the bond forfeiture amounts.

You are hereby given 30 days from date of receipt of this letter to resolve the Violation noted and bring your wells into compliance with applicable Rules. Should you fail to execute this Order the Division will begin legal proceedings.

You are encouraged to contact the Division and come in for a meeting to negotiate a settlement and resolution concerning these wells. Questions regarding this matter may be directed to Mr. Mike Hebertson, Manager of Enforcement and Hearings at 801 538-5333, or to Mr. Dustin Doucet, Engineer, at 801 538-5281.

Sincerely,



K. Michael Hebertson  
Manager, Enforcement & Hearings

js

Enclosure

cc: Compliance File  
Steve Alder, Attorney General  
Gil Hunt, Associate Director, OGM  
Dustin Doucet, Engineer  
Earlene Russell, Bonding Agent

EXHIBIT "A"

<b>Well Name</b>	<b>API #</b>	<b>Lease Type</b>	<b>Estimated Plugging Costs</b>	<b>Time SI/TA (years/months)</b>
Suniland State A-2	4301910833	SITLA	\$151,130.00	11Y
State 1-16A	4301930783	SITLA	\$150,025.00	9Y 2M
TOTAL			\$301,155.00	

7004 2510 0004 1824 5339

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Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To SW Energy Attn: Richard Smoot  
 Street, Apt. No. or PO Box No. 847 E. 400 S.  
 City, State, ZIP+4 SLC UT 84102

PS Form 3800, June 2002 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**RICHARD SMOOT**  
**S W ENERGY**  
**847 E 400 S**  
**SALT LAKE CITY UT 84102**

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

*FEB 11*

3. Service Type

Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number  
 (Transfer from service label)

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7004 2510 0004 1824 6800

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Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		

Total Po **RICHARD SMOOT**

Sent To **SW ENERGY**

Street, Ap or PO Box **847 E 400 S**

City, State **SALT LAKE CITY UT 84102**

PS Form 3800, June 2002 See Reverse for Instructions

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- 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):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

**RICHARD SMOOT**  
**SW ENERGY**  
**847 E 400 S**  
**SALT LAKE CITY UT 84102**

4a. Article Number  
7004 2510 0004 1824

4b. Service Type

Registered  Certified

Express Mail  Insured

Return Receipt for Merchandise  COB

7. Date of Delivery  
FEB 19 2009

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)  
**X** *Richard Smoot*

is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

PS Form 3811, December 1994 102595-97-B-0179 Domestic Return Receipt



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

February 4, 2009

Certified Mail No.: 7004 2510 0004 1824 6800

Richard Smoot  
S.W. Energy  
847 East 400 South  
Salt Lake City, UT 84102

Subject: Division Order to Plug and Abandon the Suniland State A-2 and State 1-16A wells operated by S.W. Energy

233 17E 16

Dear Mr. Smoot:

As of the date of this Order S.W. Energy has not taken corrective action for Shut-in and Temporarily Abandoned Notices of Violation (see attachments) sent certified mail by the Division on November 29, 2007 (received November 30, 2007) and dated February 6, 2008 (received February 11, 2008).

The Division of Oil, Gas and Mining (the "Division") is hereby ordering S.W. Energy to Plug and Abandon two wells owned by S.W. Energy as follows:

1. Suniland State A-2 API No. 43-019-10833
2. State 1-16A API No. 43-019-30783

Division authority to order the wells plugged is found in The Oil and Gas Conservation General Rule R649-3-36. The wells shall be plugged in accordance with R649-3-24. Within 30 days of receipt of this order S.W. Energy shall submit notices of intent, for Division approval, to plug and abandon the wells.

Therefore, S.W. Energy has 30 days from receipt of this Order to enter into an agreement for execution of the Order.

S.W. Energy has the right to appeal the Division Order by filing to the Board of Oil, Gas and Mining a request for review according to procedures set forth in R649-10-6. A request for review of a Division Order must be filed with the secretary to the Board, Marianne Burbidge (801) 538-5302, within 30 days of issuance of the order.



Page 2

February 4, 2009

Subject: Division Order to Plug and Abandon

In the event S.W. Energy does not respond to the Division Plugging and Abandonment Order within 30 days of receipt, the Division will file for a formal hearing before the Board of Oil, Gas and Mining, as described in the Utah Administrative Code R641, requesting a Board Order to plug and restore the well sites. Should this matter be brought before the Board, the Division will seek bond forfeiture (R649-3-36), liability for plugging costs in excess of bond forfeiture amounts (R649-3-1-4) and civil penalties of up to \$10,000 per day for each day of violation (Utah Oil and Gas Conservation Act 40-6-11).

Questions regarding this Order may be directed to Clinton Dworshak, Compliance Manager at (801)-538-5280 or Dustin Doucet, Engineer at (801) 538-5281.

Sincerely,



Clinton Dworshak  
Compliance Manager

CD/js

Enclosures

cc: Gil Hunt, Associate Director  
Steve Alder, Assistant Attorney General  
Dustin Doucet, Engineer  
LaVonne Garrison, SITLA  
Compliance File  
Well File

N:\O&G Reviewed Docs\CLD



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

March 4, 2009

Certified Mail No.: 7004 1160 0003 0190 2624

Rosanne Smoot, President  
Richard Smoot & S.W. Energy  
847 East 400 South  
Salt Lake City, Utah 84102

43 019 10833  
235 17E 16

Subject: Richard Smoot & S.W. Energy Plugging Extension Request for the Suniland State A2, State 1-16A, CF&I 22-16 and CF&I 42-16 wells.

Dear Ms. Smoot:

The Division of Oil, Gas and Mining (the "Division") is in receipt of your plugging extension request dated February 24, 2009 (received February 25, 2009). It is the Divisions understanding that S.W. Energy will plug and abandon the State 1-16A well by July 2009 or earlier, and will continue to plug and abandon the other three wells based on the financial ability of S.W. Energy. Estimated plugging dates for the Suniland State A2, CF&I 22-16 and CF&I 42-16 wells must be submitted to the Division as soon as possible.

The Division grants the extension request based on the submitted plugging proposal and to allow the family time to organize your father's business affairs. Please submit notice of intent sundries to plug and abandon the wells, for Division approval, at your earliest convenience. Should the proposed plugging plan change the Division shall be notified immediately.

Questions regarding this matter may be directed to Clinton Dworshak, Compliance Manager, at (801) 538-5280 or Dustin Doucet, Engineer, at (801) 538-5281.

Sincerely,

Clinton Dworshak  
Compliance Manager

cc: Gil Hunt, Associate Director  
Dustin Doucet, Engineer  
LaVonne Garrison, SITLA  
Compliance File  
Well Files

N:\O&G Reviewed Docs\CLD





JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

March 25, 2009

Certified Mail No.: 7004 1160 0003 0190 2709

Rosanne Smoot, President  
Richard Smoot & S.W. Energy  
847 East 400 South  
Salt Lake City, UT 84102

43 019 10833  
23 S 17E 16

Subject: Richard Smoot & S.W. Energy Plugging Extension Request for the Suniland State A2, State 1-16A, CF&I 22-16 and CF&I 42-16 wells.

Dear Ms. Smoot:

This response is to the letter you sent the Division of Oil, Gas and Mining (the "Division") dated March 17, 2009 (received March 18, 2009). Your letter confirmed the plugging of the State 1-16A by July 2009 and proposed plugging the Suniland A-2 by year-end 2010, the CF&I 22-16 by year-end 2011 and the CF&I 42-16 by year-end 2012.

The Division denies any plugging proposal beyond year-end 2010. I spoke to your brother Jonathan Smoot (March 19, 2009) regarding this matter. Jonathan understood the Division's position and proposed plugging the State 1-16A and Suniland A-2 wells this year (2009) and plugging the CF&I 22-16 and CF&I 42-16 wells next year (2010). The Division approves this plugging proposal. Should this plan change the Division shall be notified immediately.

I checked, for Jonathan, the state lease status of Section 16-T23S-R17E. The SITLA records I reviewed had Section 16 unleased. I recommend you confirm that with Jim Davis (801-538-5156) or Lisa Wells (801-538-5154).



Page 2

Subject: Division Order to Plug and Abandon  
March 25, 2009

Enclosed is a copy of a letter Jonathan requested, that was sent to your father on August 31, 2004. It includes wellbore diagrams, recommended plug placement and approximate number of sacks for each plug for the CF&I 22-16 and CF&I 42-16 wells.

Questions regarding this matter may be directed to Clinton Dworshak, Compliance Manager at (801) 538-5280 or Dustin Doucet, Petroleum Engineer, at (801) 538-5281.

Sincerely,



Clinton Dworshak  
Compliance Manager

CLD/js

Enclosure

cc: Gil Hunt, Associate Director  
Dustin Doucet, Petroleum Engineer  
LaVonne Garrison, SITLA  
Compliance File  
Well Files

N:\O&G Reviewed Docs\CLD



State of Utah

Department of  
Natural Resources

ROBERT L. MORGAN  
*Executive Director*

Division of  
Oil, Gas & Mining

LOWELL P. BRAXTON  
*Division Director*

OLENE S. WALKER  
*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

August 31, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6105

Mr. Richard Smoot  
847 E 400 S  
Salt Lake City, Utah 84012

Re: Plugging and Abandoning the CF&I 22-16 and CF&I 42-16 wells

Dear Mr. Smoot:

235 17E 16  
43-019-15819

Based on your phone conversation on 8/25/2004 with Division personnel it is our understanding you intend to plug and abandon two (2) shut-in wells this year, the CF&I 22-16 (API # 43-019-15819) and CF&I 42-16 (API # 43-019-15820). You had stated that because of mechanical problems with these wells, you felt that these well bores didn't have any future use.

The Division has reviewed our in-house records for the CF&I 22-16 and CF&I 42-16 wells and has attached detailed well bore schematics of each well for your convenience. The schematics show recommended plug placement and the approximate number of sacks of cement necessary for each plug.

In summary each well will require 4 (four) plugs. Plug 1 shall be placed as deep in the well bore as possible. Assuming you can not get below the collapsed casing or fish (located at roughly 5300' in each well), approximately 200 sacks of cement will need to be squeezed below a CICR in an attempt to properly separate the perforated intervals in the Leadville Formation from the remainder of the well bore (R649-3-24.3.6). Plugs 2 and 3 will require a CICR with perforations below the retainer so cement can be squeezed between the production casing and the annulus to prevention the migration of fluid between formations (R649-3-24.3 & R649-3-24.3.5). Plug 4 at the surface will require cement inside the production casing and in the annulus between the production and surface casings (R649-3-24.3.3).

Page 2  
Mr. Richard Smoot  
August 31, 2004

As requested, I have included several copies of Form 9 – Sundry Notices and Reports on Wells. Please submit your plugging procedures with a Form 9 for Division approval at your earliest convenience. If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

A handwritten signature in black ink, appearing to read "Dustin Doucet". The signature is written in a cursive style with a large initial "D" and a long horizontal stroke at the end.

Dustin Doucet  
Petroleum Engineer

DKD:jc  
Attachments  
cc: Well files

# Wellbore Diagram

API Well No: 43-019-15819-00-00 Permit No: Well Name/No: CF&I 22-16  
 Company Name: SMOOT, RICHARD P  
 Location: Sec: 16 T: 23S R: 17E Spot: SENW  
 Coordinates: X: 582338 Y: 4296146  
 Field Name: SALT WASH  
 County Name: GRAND

### String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	1702	13.75		
SURF	1702	10.75	40.5	
HOL2	8910	7.875		
PROD	8910	4.5	11.6	11,459

1.92

Surface

Plug #4

$$\text{Inside } 100 / (1.18)(11.459) = 8 \text{ sks}$$

$$\text{Outside } 100 / (1.18)(1.92) = 44 \text{ sks}$$

$$\underline{52 \text{ sks Total}}$$

Cement from 1702 ft. to surface

Surface: 10.75 in. @ 1702 ft.

Hole: 13.75 in. @ 1702 ft.

plug #3 C/C @ ± 1700

perfs @ 1750

$$\text{Above } 50 / (1.18)(11.459) = 4 \text{ sks}$$

$$\text{below } 50 / (1.18)(11.459) = 4 \text{ sks}$$

$$\text{outside } 50 / (1.18)(1.92) = 22 \text{ sks}$$

$$\text{outside } 50 / (1.18)(2.66) = 16 \text{ sks}$$

$$\underline{46 \text{ sks Total}}$$

### Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	8910	5642	UK	1045
SURF	1702	0	UK	1400

Perm 4469  
Penn

plug #2 C/C @ ± 4419

perfs @ 4469

$$\text{above } 50 / (1.18)(11.459) = 4 \text{ sks}$$

$$\text{below } 50 / (1.18)(11.459) = 4 \text{ sks}$$

$$\text{outside } 100 / (1.18)(2.66) = 32 \text{ sks}$$

$$\underline{40 \text{ sks Total}}$$

### Perforation Information

8900 - 8906

$$\frac{[(1.2)(7.875)]^2 - 4.5^2}{183.35} = 266$$

5397 Salt

TOC 5642

5698 Top of Fish

plug #1 C/C @ ± 5600'

$$\text{Above } 200 / (1.18)(11.459) = 15 \text{ sks}$$

$$\text{below } -200 \text{ sks}$$

$$\underline{215 \text{ sks Total}}$$

### Formation Information

Formation	Depth
SUMM	0
ENRD	143
CARM	597
NAVA	753
KAYT	1164
WING	1302
CHIN	1674
MNKP	2627
WHRM	2663
OROS	2921
ELEC	3157

Harker Trail 4469  
 Salt 5397 Penn  
 Pinkerton 8497  
 Leadville 8605 Miss

Penn 8605  
Miss

Cement from 8910 ft. to 5642 ft.

Production: 4.5 in. @ 8910 ft.

Hole: 7.875 in. @ 8910 ft.

TD: 8910 TVD: PBTD:

# Wellbore Diagram

API Well No: 43-019-15820-00-00 Permlt No:

Well Name/No: CF&I 42-16

Company Name: SMOOT, RICHARD P

Location: Sec: 16 T: 23S R: 17E Spot: SENE

Coordinates: X: 583054 Y: 4296125

Field Name: SALT WASH

County Name: GRAND

### String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	1801	12.25		
SURF	1801	8.625	32	
HOL2	8931	7.875		
PROD	8931	4.5	11.6	11.459

} 4.315

Plug #4 Surface

Inside 100 / (1.18) (11.459) = 8 SKS  
 outside 100 / (1.18) (4.315) = 20 SKS  
28 SKS Total

Cement from 1801 ft. to surface  
 Surface: 8.625 in. @ 1801 ft.  
 Hole: 12.25 in. @ 1801 ft.

Plug #3 CIRC @ ± 1800'  
 parts @ 1850

Above 50 / (1.18) (11.459) = 4 SKS  
 below 50 / (1.18) (11.459) = 4 SKS  
 outside 50 / (1.18) (4.315) = 10 SKS  
 outside 50 / (1.18) (4.315) = 16 SKS  
34 SKS Total

### Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	8931	8674	UK	85
PROD	8471	8227	UK	650 cubic feet
SURF	1801	0	UK	1200

$$\frac{[(1.2)(7.875)]^2 - 4.5^2}{183.35} = 2.66$$

Plug #2 CIRC @ ± 3195  
 parts @ 3195

Above 50 / (1.18) (11.459) = 4 SKS  
 below 50 / (1.18) (11.459) = 4 SKS  
 outside 100 / (1.18) (0.66) = 32 SKS  
40 SKS Total

### Perforation Information

Plug #1 CIRC @ ± 5200'

Above 200' / (1.18) (11.459) = 15 SKS } Total 215 SKS  
 below 200 SKS

### Formation Information

Formation	Depth
MNKP	2110
Tri KBAB	2660
WHRM	2691
Penn ORGS	2945
ELEC	3195
Penn HNKRT	4412
Miss LDLL	8632

Salt 5255

Cement from 8471 ft. to 8227 ft.

Cement from 8931 ft. to 8674 ft.

Production: 4.5 in. @ 8931 ft.

Hole: 7.875 in. @ 8931 ft.

Hole: Unknown

DV Tool 8471

TD: 8941 TVD: PBTD:

Perm  
3195  
Perm

Salt  
5255

TOC  
8227

TOC  
8674

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

**ML-45209**

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL

OIL WELL

GAS WELL

OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:

**Suniland State A-2**

2. NAME OF OPERATOR:

**S. W. Energy Corp.**

9. API NUMBER:

**4301910833**

3. ADDRESS OF OPERATOR:

847 E. 400 So.

CITY **Salt Lake City**

STATE **UT**

ZIP **84102**

PHONE NUMBER:

**(801) 532-6664**

10. FIELD AND POOL, OR WILDCAT:

**Salt Wash**

4. LOCATION OF WELL

FOOTAGES AT SURFACE: **660' FSL 2130' FWL**

COUNTY: **Grand**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SESW 16 23S 17E**

STATE:

**UTAH**

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>8/17/2009</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1. First plug - 8685' - 8200'      485' cement      11 bbls slurry      55 sx

2. Second plug - 5500' - 5200'      300' cement      6 bbls slurry      30 sx

3. Third plug - 2200' - 1900'      300' cement      6 bbls slurry      30 sx

4. Fourth plug - 270' - surface      270' cement      6 bbls slurry      30 sx

Cut well head off. Run 1" tubing to 100' depth between 5 1/2" and the 8 5/8" casing.

5. Fifth plug - 100' - surface in the 5 1/2" X 8 5/8" annulus. 3 bbls slurry 15 sx

Weld on dry hole plate

**COPY SENT TO OPERATOR**

Date: 8-20-2009

Initials: KS

NAME (PLEASE PRINT) ROSANNE SMOOT HENSHAW

TITLE President

SIGNATURE Rosanne Smoot Henshaw

DATE 08/11/09

(This space for State use only)

**APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING**

DATE: 8/19/09

BY: [Signature] (See Instructions on Reverse Side)

\*See Conditions of Approval (Attached)

**RECEIVED**

**AUG 11 2009**

**DIV. OF OIL, GAS & MINING**

(5/2009)



JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

## **CONDITIONS OF APPROVAL TO PLUG AND ABANDON WELL**

Well Name and Number: Suniland State A-2  
API Number: 43-019-10833  
Operator: SW Energy Corp.  
Reference Document: Original Sundry Notice dated August 11, 2009,  
received by DOGM on August 11, 2009.

### Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.
2. **Add Plug #3a (1404' to 1140')**: A 30 sk plug shall be added across the approximate Triassic top and surface casing shoe from 1404' to 1140'.
3. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.
4. Balance plugs shall be tagged to ensure they are at the depths specified in the proposal.
5. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.
6. If there are any changes to the plugging procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.
7. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Dustin K. Doucet  
Petroleum Engineer

August 19, 2009

Date



# Wellbore Diagram

API Well No: 43-019-10833-00-00 Permit No: C-11

Well Name/No: SUNILAND STATE A-2

Company Name: S W ENERGY CORPORATION

Location: Sec: 16 T: 23S R: 17E Spot: SESW

Coordinates: X: 582335 Y: 4295363

Field Name: SALT WASH

County Name: GRAND

### String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	1203	12.25		
SURF	1203	8.625	24	
HOL2	8792	7.875		
PROD	8784	5.5	17	
HOL3	8900	4.5		
T1	8764	2.875		
PKR	8764			

Capacity (F/CF)

7.661

$8\frac{5}{8}'' \times 5\frac{1}{2}'' \rightarrow 5.192$   
 $7\frac{7}{8}'' \times 5\frac{1}{2}'' (0.9) \rightarrow 5.772$   
 $(128) \rightarrow 3.8566$

Cement from 1203 ft. to surface

Surface: 8.625 in. @ 1203 ft.

Hole: 12.25 in. @ 1203 ft.

### Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	8784	270	A	150
PROD	8784	270	UK	1100
SURF	1203	0	UK	500

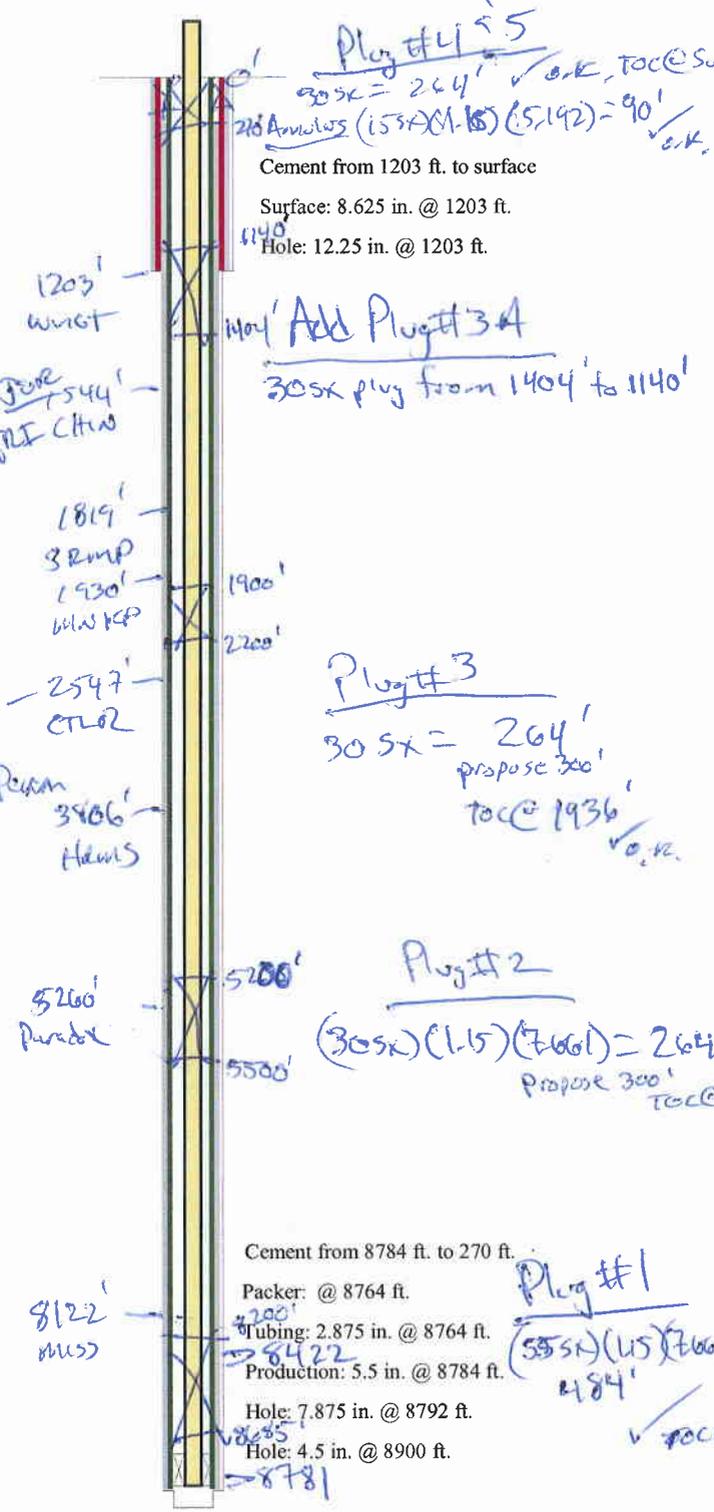
yield 1.37 Stage 1 @ 8363'

### Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
8730	8781			
8500	8580			
8422	8690			

### Formation Information

Formation	Depth
WINGT	1203
CHIN	1544
SRMP	1819
MNKP	1930
CTLR	2547
HRMS	3806
MSSP	8122



Cement from 8784 ft. to 270 ft.

Packer: @ 8764 ft.

Tubing: 2.875 in. @ 8764 ft.

Production: 5.5 in. @ 8784 ft.

Hole: 7.875 in. @ 8792 ft.

Hole: 4.5 in. @ 8900 ft.

TD: 8900 TVD: PBTD: 0

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML-45209</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: <b>S. W. Energy Corp.</b>		8. WELL NAME and NUMBER: <b>Suniland State A-2</b>
3. ADDRESS OF OPERATOR: <b>847 E. 400 So.      CITY Salt Lake City      STATE UT      ZIP 84102</b>		9. API NUMBER: <b>4301910833</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>660' FSL 2130' FWL</b>		10. FIELD AND POOL, OR WILDCAT: <b>Salt Wash</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SESW 16 23S 17E</b>		COUNTY: <b>Grand</b>
		STATE: <b>UTAH</b>

**11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: <b>9/22/2009</b>	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1. First plug	8700' - 8215'	485' cement	55 sx	9/17/09
2. Second plug	5550' - 5249'	251' cement	30 sx	9/18/09
3. Third plug	2200' - 1900'	300' cement	30 sx	9/21/09
4. Fourth plug	1400' - 1100'	300' cement	30 sx	9/21/09
5. Fifth plug	300' - surface	300' cement	30 sx	9/22/09

Cut off well head and install dry hole marker 3' below ground level

All work was witnessed by State of Utah Petroleum Operations Specialists

All cement wgt 15.8+ cement yield 1.18 sx/cu ft

NAME (PLEASE PRINT) <u>ROSANNE SMOOT HENSHAW</u>	TITLE <u>President</u>
SIGNATURE <u>Rosanne Smoot Henshaw</u>	DATE <u>10/20/09</u>