

Received 8/11/80 7

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

5. Lease Designation and Serial No.
ML- 33348

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

6. If Indian, Allottee or Tribe Name

1a. Type of Work
DRILL DEEPEN PLUG BACK

7. Unit Agreement Name

b. Type of Well
Oil Well Gas Well Other
Single Zone Multiple Zone

8. Farm or Lease Name

2. Name of Operator
MEGADON ENERGY CORPORATION

STATE

3. Address of Operator
SUITE 440, 57 W. SO. TEMPLE, SALT LAKE CITY, UTAH

9. Well No.
ST. #1-16

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface SE. SE. Section 16, T 23S, R 17E, S1M
At proposed prod. zone (605' fr. E-line and 731' fr. S-line)

10. Field and Pool, or Wildcat
SALT WASH

11. Sec., T., R., M., or Dist. and Survey or Area
SE. SEC. 16-23S-17E SLM

14. Distance in miles and direction from nearest town or post office*
APPROX. 15 MILES SE. OF GREEN RIVER, UTAH

12. County or Parrish 13. State
GRAND UTAH

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)
605 ft.

16. No. of acres in lease 17. No. of acres assigned to this well
353 ac. 80 acres.

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.
1100 ft.

19. Proposed depth 20. Rotary or cable tools
8700' Rotary

21. Elevations (Show whether DF, RT, GR, etc.)
4315' Grd; 4330' K.B.

22. Approx. date work will start*
Sept. 1, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/2"	9 5/8"	36.00#	1850'	350 sks
8 3/4"	5 1/2"	17.00 & 23#	8700'	1000 sks

It is planned to drill a well at the above location to test the oil production possibilities of the Mississippian - Leadville formation at a depth of approximately 9000'. The well will be drilled with rotary tools using mud and air for circulation. A short piece of conductor pipe (13 3/8") will be set at about 35 feet and cemented and then a 12 1/2" surface hole will be drilled to a depth which is below the massive sands and cemented to the surface. An 8 3/4" hole will then be drilled to total depth. A blowout preventer, hydril, and rotating head will be used for control equipment. In the event of production 5 1/2" casing will be set and thoroughly cemented from the bottom up to above the salt section. A prognosis for the well is attached.

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: W. Don Gugley Title: PRESIDENT Date: AUG. 11, 1980

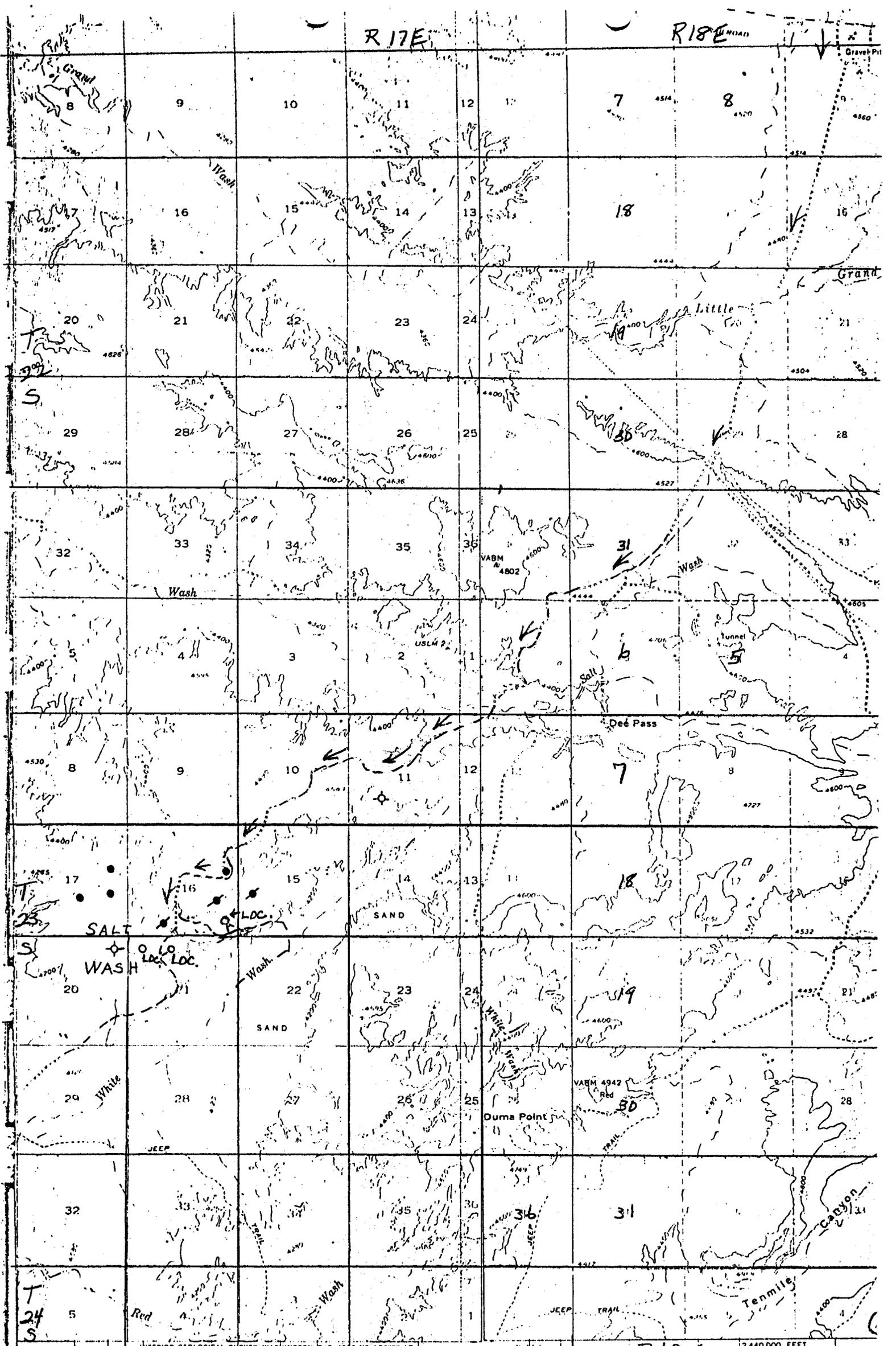
(This space for Federal or State office use)

Permit No. _____

APPROVED BY THE DIVISION OF OIL, GAS, AND MINING
DATE: 8/5/80
BY: CB Feight

Approved by: _____ Date: _____
Conditions of approval, if any:

*See Instructions On Reverse Side



INTERIOR GEOLOGICAL SURVEY WASHINGTON, D. C. 20508

110° 00' 2440000 FEET

R17E
ROAD CLASSIFICATION

Medium-duty — — — Light-duty
Unimproved dirt

{ U.S. Route () State Route

This area also covered by 1:24,000 scale maps, available in black and white only, of Tidwell 1 NE, Tidwell 1 NW, Tidwell 1 SW, and Tidwell 1 SE. 7.5 minute quadrangles, surveyed 1954.

Mapped, edited, and published by the Geological Survey
Control by USGS and USC&GS

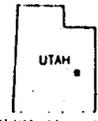
Topography from aerial photographs by photogrammetric methods
Aerial photographs taken 1955. Field check 1958

Polyconic projection. 1927 North American datum
10,000-foot grids based on Utah coordinate system, central zone
1000-meter Universal Transverse Mercator grid ticks, zone 12, shown in blue

Dashed land lines indicate approximate locations

MAP NO.

GREEN RIVER, UTAH

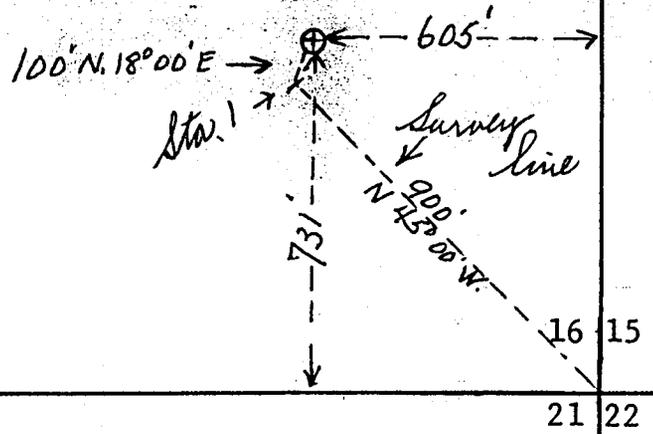


TRUE NORTH

LOCATION PLAT FOR
 MEGADON ENERGY CORPORATION
 STATE #1-16 WELL
 SE. SE. SEC. 16-23S-17E
 GRAND COUNTY, UTAH
 (605' fr. E-line & 731' fr. S-line)
 Elev.: 4315' grd.

1/4 cor.

SE 1/4 SECTION 16

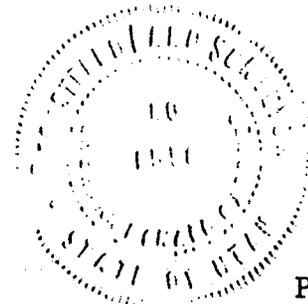


1/4 cor.
 Ref. Pts. are 150' N-S-E-W

Scale: 1 in. = 400 ft.
 Date: Aug. 9, 1980

I, Sherman D. Gardner, do hereby certify that this plot was plotted from notes of a field survey made under my direct responsibility, supervision, and checking on Aug. 9, 1980

Sherman D. Gardner
 Registered Land Surveyor
 State of Utah #1556



Plat No. 1

PROGNOSIS FOR
 MEGADON ENERGY CORPORATION
 SALT WASH - STATE #1-16 WELL
 SE. SE. SECTION 16-23S-17E.
 GRAND COUNTY, UTAH

LOCATION: SE. SE. Section 16, T 23S, R 17E., S.L.M., Grand County, Utah (605' from E-line and 713' from S-line)

ELEVATION: 4315' Grd; 4330' K.B.

SURFACE CASING: One joint of conductor pipe (13 3/8" or equivalent) will be set and cemented manually at the surface; then a 12 1/2" hole will be drilled to a depth of 1850' for the surface casing. 1850 ft. of 9 5/8", 36.00#, K-55 casing will be set and cemented with 350 sks. of reg. cement w/3% CaCl, with returns to the surface. Casing will be set with a guide shoe and six (6) centralizers. A casing head, Series 900 with No. 10 flange, will be installed on top of the casing. The cement will be allowed 12 hours to set before nipping up.

EXPECTED FORMATION TOPS:

<u>Formation</u>	<u>Depth to Top</u>	<u>Thickness</u>	<u>Datum</u>
Entrada	Surface	350'	4330' K.B.
Carmel	350'	50'	3980'
Navajo	400'	600'	3930'
Kayenta	1000'	50'	3330'
Wingate	1050'	400'	3280'
Chinle	1450'	300'	2880'
Shinarump*	1750'	80'	2580'
Moenkopi	1830'	450'	2500'
Kaibab*	2280'	100'	2050'
Coconino	2380'	600'	1950'
Wolfcamp	2980'	500'	1350'
Hermosa*	3480'	1650'	850'
Paradox Salt*	5130'	3000'	-800'
Pinkerton Trail*	8130'	300'	-3800'
Mississippian*	8430'	—	-4100'
TOTAL DEPTH	8700'		

*Formations which may have hydrocarbons.

1. It is planned to set and cement one jt of 13 3/8" casing for a conductor and then to drill a 12 1/2" surface hole for the surface casing to a depth of about 1850'. (This depth will be sufficient to set the casing thru the Shinarump formation for the protection of possible uranium mines in the area.) Casing, 9 5/8", 36.00#, K-55, R-3, will be run and cemented with 350 sks of cement with returns to the surface. The surface hole will be drilled with air and air mist and a deviation of no more than 2° will be maintained. A casing head, Series 900, will be mounted on top of the casing and a blowout preventer with hydraulically operated blind and pipe rams, and a hydril, will be mounted on the casing head. Fill and kill lines will be connected thru a manifold to the casing head below the blind rams. As soon as the cement plug is drilled out of the surface casing, the B.O.P. and hydril and surface casing will be tested to 2000#.for leaks.
2. A 8 3/4" hole will then be drilled below the surface casing to a depth of about 6000', using air and/or air mist for circulation. At this point, the air system is to be changed over to a salt base mud to permit drilling the salt section below. All subsequent shows of hydrocarbons will be drill-stem-tested. Particular attention will be given to the Cane Creek zone near the base of the salt section. This zone can be productive and is very susceptible to formation damage by the drilling fluids and cement. No barite (barium sulfate) is to be used at any time, if it can possibly be avoided.
3. The hole will be kept straight by stabilization or thru drilling methods. Deviation surveys will be taken at 600' intervals. Maximum deviation will be kept below 6°, if possible, and the maximum drift between surveys will be 2°.
4. Samples of the cuttings will be taken at 30-ft. intervals, beginning at 800', and continuing to a depth of about 6000' or when conversion to mud drilling is begun, then 10' samples will be taken.
5. The well will be drilled to a depth which is at least 300 ft. below the top of the Mississippian formation or to good commercial production. In the event of good production before the Mississippian is reached, the drilling may be discontinued at this point and 5 1/2" casing run to permit drilling deeper at a

later date. The mud program will be supervised by the company representative.

6. At total depth, the well will be logged electrically; and a Gamma-Induction log and a Gamma-Density-CNL log will be run.
7. If production is obtained in the Mississippian, casing, 5½", 23.00#, N-80, R-3 will be run from about 8700' to about 5000' and 5½", 17.00# casing will be run from 5000' to surface, and cemented with about 200 sks of RFC cement and 800 sks of Pozmix (50-50) light cement w/5% salt, 5% gilsonite, and 6% salt. Sufficient cement to cover the salt section will be used.
8. A gamma-cement bond log will be run and the production zone perforated, 2 3/8" tubing run, and completed conventionally. It may be necessary to break down the formation with a weak acid treatment which would be swabbed out immediately after treatment.
9. The drilling of this well should take about one month and completion work should take about ten days.

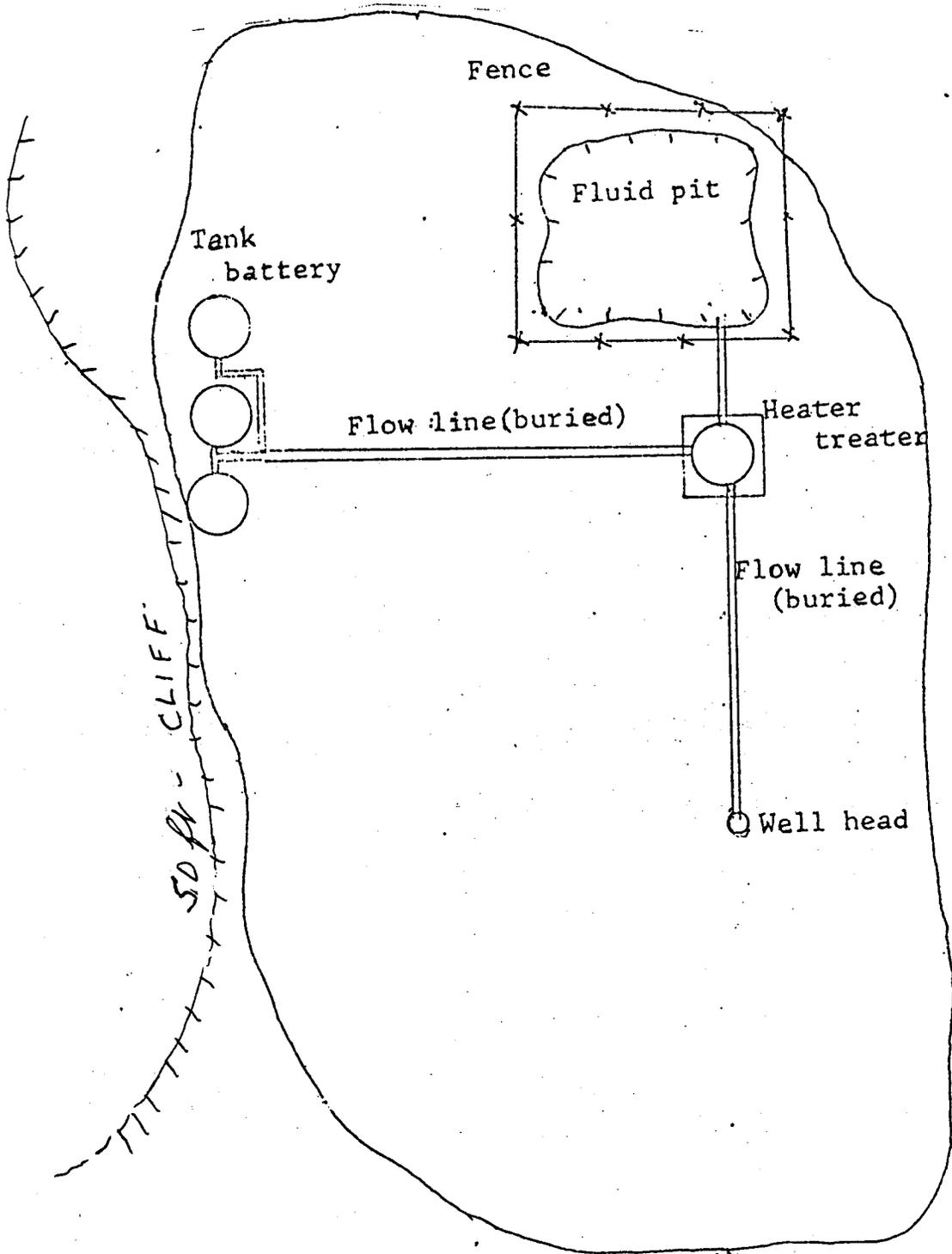
W. Don Quigley
W. Don Quigley
MEGADON ENERGY CORPORATION
Suite 440, 57 W. So. Temple
Salt Lake City, Utah 84101

LOCATION PLANS FOR
MEGADON ENERGY CORPORATION
SALT WASH - STATE #1-16 WELL
SE. SE. SECTION 16-23S-17E.
GRAND COUNTY, UTAH

1. A survey plat (Plat #1) is attached showing the location of the proposed well site. Map #1 shows the route from Hwy. 50-6 to the well site from Floy Junction.
2. Map #1 shows the access road to the well site from present roads. The road will be along the base of a small ledge and across sand dunes over fairly flat land. No deep cuts or removal of rock will be required.
3. All present wells and dry holes in the Salt Wash Field are shown on Map #1.
4. See 1 and 2 above for other roads in the area.
5. A plan for the location of the production equipment at the well site, if the well is successful, is shown on Plat #2. Since this well is an offset well to present production, it should be an oil well completed in the Mississippian formation, and should flow, thus eliminating the need for a pump jack. The flow lines, heater-treater, tank battery, and fluid pit will be installed as shown.
6. Water for drilling purposes will be obtained from the Green River and will be hauled to the well location by truck. This is a distance of about 3 miles. Salt water from adjacent wells can be used.
7. A plan for the placement of the drilling equipment to be used in the drilling of the proposed well is shown on Plat #3. This plat shows the reserve pit and waste or burn pit. Excess drilling mud and waste water will be deposited in the reserve pit during drilling operations. The waste and burnable material will be put in the burn pit. At the completion of the well these pits will be folded-in and levelled.
8. See location of house trailers on Plat #3.
9. There is one airstrip in the vicinity of the well location and this will be needed for transporting the crews.

10. See Plat #3 for the drilling equipment layout.
11. There is little topsoil on top of the rocks at the proposed well site. Mostly sand is present and the vegetation is sparse. Some sage brush covers the surface sparsely. After the well is completed the location will be cleaned and levelled; and the pits will be covered.
12. As can be seen from Map #1, the well site area is fairly level and is near the base of a cliff (about 80 ft. drop). Sediments belonging to the Morrison and Entrada formations are exposed around the cliff edges and on the hill tops. The flat surfaces are mostly sand and sand dunes. This is in a developed oil field and there are numerous roads and trails criss-crossing the area.

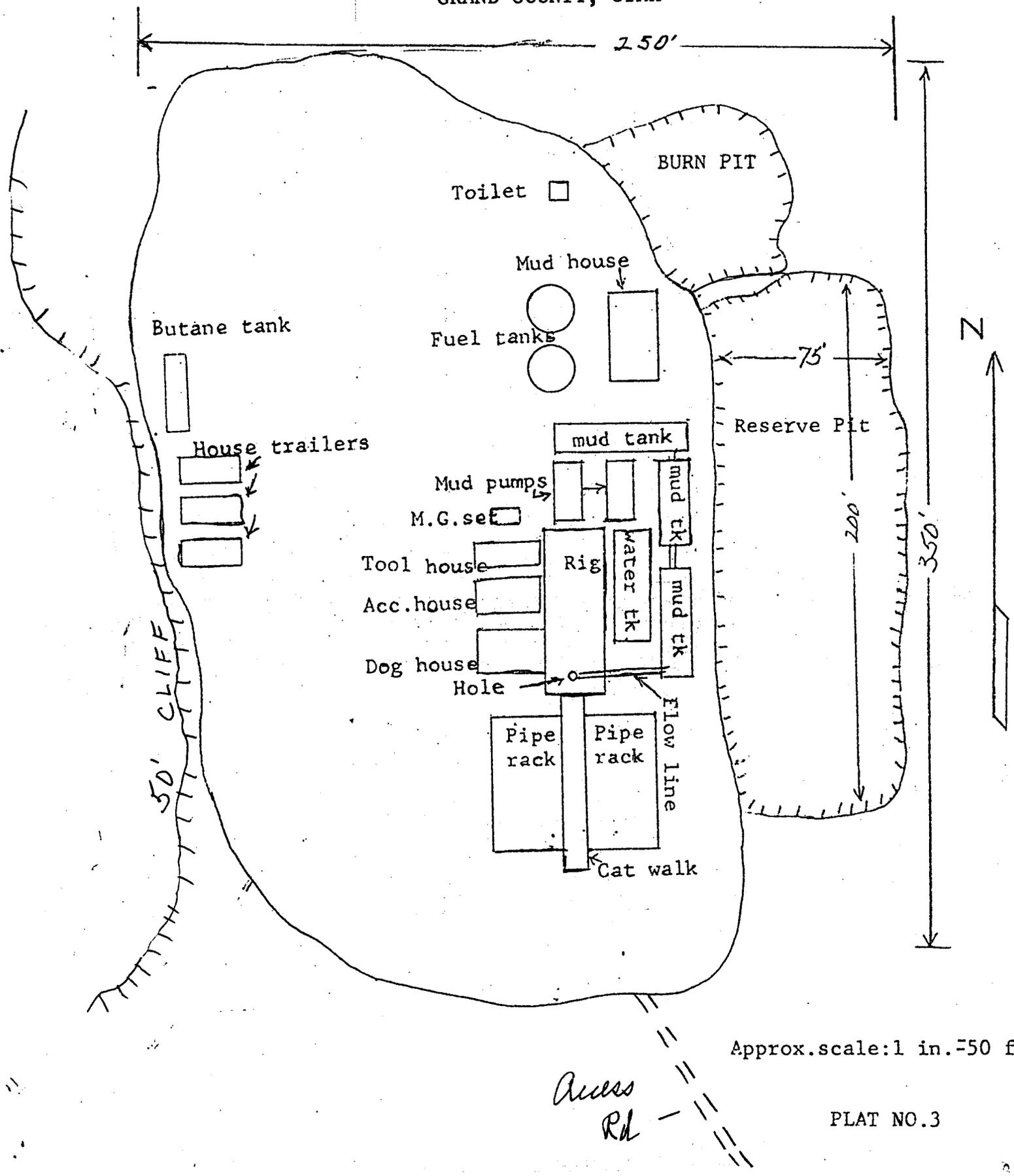
PLAN FOR PRODUCTION EQUIPMENT
MEGADON ENERGY CORP. STATE #1-16 WELL
SE. SE, SEC. 16-23S-17E.
GRAND COUNTY, UTAH



Approx. scale: 1 in. = 50 ft.

Access road

DRILLING EQUIPMENT LAYOUT
FOR
MEGADON ENERGY CORP.
STATE #1-16 WELL
SE. SE. SEC. 16-23S-17E.
GRAND COUNTY, UTAH



WELL CONTROL EQUIPMENT FOR
MEGADON ENERGY CORP. STATE #1-16 WELL
SE. SE. SEC. 16-23S-17E.
GRAND COUNTY, UTAH

The following control equipment is planned for the above designated well:

1. Surface Casing:
 - A. Hole size for the surface casing is 12½".
 - B. Setting depth for surface casing is approx. 1850'.
 - C. Casing specs. are: 9 5/8" O.D., J-55, 36.00#, 8-rd. thread, new or used.
 - D. Anticipated pressure at setting depth is approx. 700 lbs.
 - E. Casing will be run and cemented with 100 sks of cement and with returns to the surface.
 - F. Top of casing will be at ground level.

2. Casing Head:

Flange size: 10"; A.P.I. Pressure Rating: 3000#; Series 900; Cameron, O.C.T., or equivalent; new or used; equipped with two 2" ports with nipples and 2", 3000# W.P. valves. Casing head and valves will be set above ground.

3. Intermediate Casing:

None

4. Blowout preventers:
 - A. Double rams; hydraulic; one set of blind rams for 4" drill pipe; 10" flange; 3000# W.P.; Series 900; equipped with mechanical wheels and rod for back-up; set on top of casing head and bolted down securely; pressure tested for leaks up to 2000#; Cameron, Shaffer, or equivalent. A hydril and rotating head will also be used.
 - B. The fill and kill line are to be connected to the 2" valve in the casing head and are to be heavy duty line pipe or tubing. The kill line will be connected to the mud pump and the flow line will be directed into the reserve pit.

5. Auxilliary Equipment:

A float valve (3000# W.P.) is to be used in the bottom drill collar at all times. A kelly valve (at least 3000# W.P.) will be installed in the stand pipe and a vlave with proper sub will be available for stabbing in the drill pipe or drill collars.

6. Anticipated Pressures:

The shut-in pressure of the Mississippian formation at a depth of about 9000' has been recorded at about 4000#, in the Salt

Wash Field. This will be the pressure that will be considered in the control program for the mud.

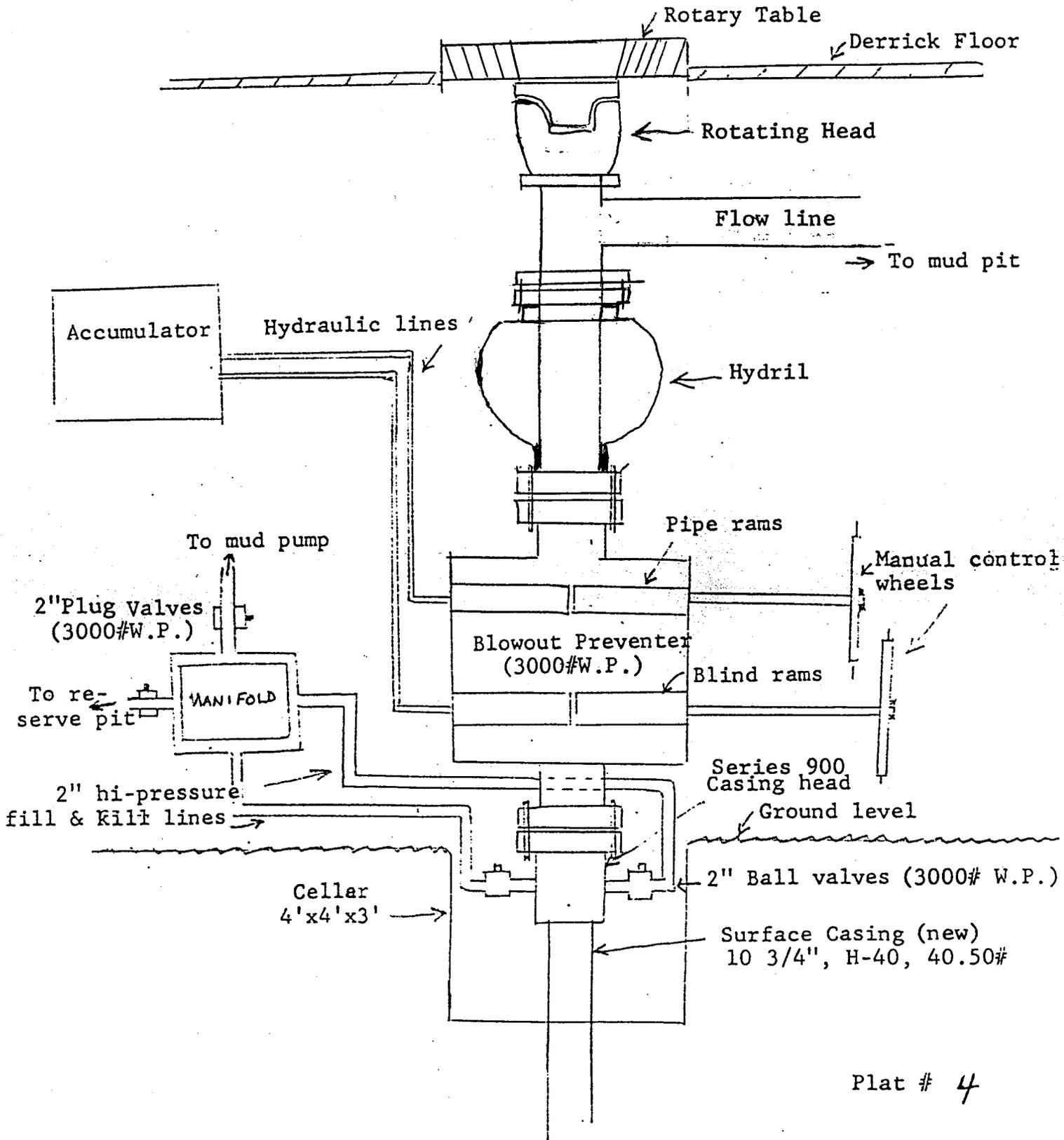
7. Drilling Fluids:

Normal mud or air will be used to drill the well down to the top of the salt section of the Paradox Formation, which is expected at a depth of about 5100'. At a depth of about 5000', the fresh water mud will be converted to salt base mud to prevent wash-outs in the salt section. This will also give a mud weight of over 10#/gal. which will provide for a hydrostatic pressure of about 4600# at 9000', which should be sufficient over balance to hold the pressure of the potential reservoir at this depth. No toxic gases are anticipated.

8. Production Casing:

- A. Hole size for production casing is 8 3/4".
- B. Approx. setting depth is 8700', which should be about 250' into the Mississippian formation.
- C. Casing specs are: 5½" O.D.; N-80 for lower 4000' - 23.00#; J-55 for upper 5000' - 15.50# or 17.00# which ever is available.
- D. Casing will be run and cemented with approx. 1000 sks in stages. The bottom of the casing, from 8750' to 8000', will be cemented first with about 200 sks; this will be allowed to set and then the rest of the cement will be used to cement the salt section. This will prevent undue hydrostatic pressures on the production zone. After the cement cures the casing will be set on slips in the casing head. Tubing, 2" O.D., will be run; plugs will be drilled out; tubing will be set in tubing head which is securely bolted to the casing head; and then the well will be perforated under a water cushion at the proper intervals.

SCHEMATIC DIAGRAM OF
 CONTROL EQUIPMENT FOR THE
 MEGADON ENERGY CORP.
 STATE #1-16 WELL
 SE. SE. SEC. 16-23S-17E.
 GRAND COUNTY, UTAH



** FILE NOTATIONS **

DATE: Aug. 14, 1980
OPERATOR: Megadon Energy Corp.
WELL NO: State # 1-16
Location: Sec. 26 T. 23S R. 17E County: Grant

File Prepared: Entered on N.I.D.:
Card Indexed: Completion Sheet:

API Number 43-019-30674⁸¹

CHECKED BY:

Petroleum Engineer: _____

Director: OK rule C-3 provided bond filed w/ state
Land Board

Administrative Aide: _____

APPROVAL LETTER:

Bond Required: Survey Plat Required:
Order No. _____ O.K. Rule C-3

Rule C-3(c), Topographic Exception - company owns or controls acreage within a 660' radius of proposed site

Lease Designation Plotted on Map

Approval Letter Written

Hot Line P.I.

August 18, 1980

Megadon Energy Corporation
57 West South Temple
Suite 440
Salt Lake City, Utah 84104

RE: Well No. State #1-16
Sec. 16, T. 23S, R. 17E.,
Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Rule C-3, General Rules and Regulations and Rules of Practice and Procedure. However, approval is contingent upon a drilling and plugging bond being filed with this Division.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

MICHAEL T. MINDER - Petroleum Engineer
HOME: 876-3001
OFFICE: 533-5771

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is State #1-16: 43-019-30674.

Sincerely,

DIVISION OF OIL, GAS AND MINING

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

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS <small>(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.)</small>		5. LEASE DESIGNATION AND SERIAL NO. <p style="text-align: center; font-weight: bold;">ML-33348</p>
1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR <p style="text-align: center; font-weight: bold;">MEGADON ENERGY CORPORATION</p>		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR <p style="text-align: center;">STE. 440, 57 WEST SO. TEMPLE, SALT LAKE CITY, UTAH</p>		8. FARM OR LEASE NAME <p style="text-align: center;">STATE</p>
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface SE. SE. SECTION 16, T 23S, R 17E, SLM (605' FR. E-LINE AND 731' FR. S-LINE)		9. WELL NO. <p style="text-align: center;">ST. #1-16</p>
14. PERMIT NO. <p style="text-align: center;">API #43-019-30674</p>		10. FIELD AND POOL, OR WILDCAT <p style="text-align: center;">SALT WASH</p>
15. ELEVATIONS (Show whether DF, RT, CR, etc.) 4315' GRD; 4330' K.B.		11. SEC., T., R., M., OR B.L.K. AND SURVEY OR AREA SE. SE. SEC. 16-23S-17E. SLM.
12. COUNTY OR PARISH		13. STATE <p style="text-align: center;">UTAH</p>

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"/>	FULL 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>INFORMATION</u> <input checked="" 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.)*

The location and road work for the subject well are currently underway. Since a large drilling rig will not be available for approximately 15 to 30 days, it is planned to commence drilling this well with a spud-rig prior to November 1, 1980, to set about 35 feet of 13 3/8" casing for a conductor pipe, and to drill the surface hole (12 1/2") to a depth which is below the massive sands (1850'), if possible with air, for the surface casing. The larger rig will be moved in as soon as it is available.

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

SIGNED *H. Don Quigley* TITLE PRESIDENT DATE OCTOBER 28, 80

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

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

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. ML-33348
2. NAME OF OPERATOR MEGADON ENERGY CORPORATION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR STE. 440, 57 W. SC TEMPLE, SALT LAKE CITY, UTAH		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface SE. SE. SECTION 16, T 23S, R 17E, SLM 605' FR. E-LINE AND 731' FR. S-LINE		8. FARM OR LEASE NAME STATE
14. PERMIT NO.		9. WELL NO. #1-16
15. ELEVATIONS (Show whether SP, RT, OR, etc.) 4315' GRD; 4330' K.B.		10. FIELD AND POOL, OR WILDCAT SALT WASH
		11. SEC., T., R., M., OR B.L.E. AND SURVEY OR AREA SE. SE. SEC. 16, 23S-17E SLM
		12. COUNTY OR PARISH 13. STATE GRAND 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>INFORMATION</u> <input checked="" type="checkbox"/>	
(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.)*

The subject well was spudded in Oct. 31, 1980. Forty ft. of 13 3/8" conductor pipe was set and cemented w/20- sks cement. A 12 1/2" hole was drilled down to a depth of 125 feet and a quantity of fresh water (15 to 20 bbl/hr) was encountered and was more than could be handled by the compressor and small drilling rig; so further drilling operations with the small rig were ceased on Nov. 15, 1980. A big rig (Empire Drlg. Co. Rig #5-Brewster N-46) is nearing completion of the Cities Service Well in T 23S, R 18E, and will be moving onto the State #1-16 well early next week. Trucks have been ordered for Tuesday, Dec. 16, 1980 to begin moving the rig.

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

SIGNED W. Now Singley TITLE PRESIDENT DATE 12-11-1980

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

16

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

5. LEASE DESIGNATION AND SERIAL NO.

ML-33348

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

STATE

9. WELL NO.

SALT WASH #1-16

10. FIELD AND POOL, OR WILDCAT

SALT WASH

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SE. SE. SEC. 16-23S-17E.
SLM.

12. COUNTY OR PARISH

GRAND

13. STATE

UTAH

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

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

2. NAME OF OPERATOR
MEGADON ENERGY CORPORATION

3. ADDRESS OF OPERATOR
#240, 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface SE. SE. SEC. 16, T 23S, R 17E, SLM.
At top prod. interval reported below
605' FR. E-LINE AND 731' FR. S-LINE
At total depth

14. PERMIT NO. 43-819-30681
DATE ISSUED 8-15-80

15. DATE SPUDDED 10-31-81 16. DATE T.D. REACHED 2-3-81 17. DATE COMPL. (Ready to prod.) D & A 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 4315' GRD; 4330' K.B. 19. ELEV. CASINGHEAD ----

20. TOTAL DEPTH, MD & TVD 1560' 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY ROTARY TOOLS 0-1560' CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* NONE 25. WAS DIRECTIONAL SURVEY MADE NO

26. TYPE ELECTRIC AND OTHER LOGS RUN NONE 27. WAS WELL CORED NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	40#	40'	17 1/2"	20 sks	0

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
	NONE						

31. PERFORATION RECORD (Interval, size and number) NONE 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
NONE		P & A					
DATE OF TEST	HOURS TESTED	CHOKES SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
NONE							
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.) TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED St. Ron Gugley TITLE PRESIDENT DATE 2-5-81

*(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.)

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES		38. GEOLOGIC MARKERS	
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Morrison	Surface	75'	Siltstone and sandstone Sandstone Siltstone and shale Sandstone Siltstone-shale Sandstone Shale
Entrada	75'	425'	
Carmel	425'	625'	
Navajo	625'	1000'	
Kayenta	1000'	1030'	
Wingate	1030'	1450'	
Chinle	1450'	1560' T.D.	

DIVISION OF OIL, GAS AND MINING

PLUGGING PROGRAM

NAME OF COMPANY: Megadon Don Quigley 359-3575

WELL NAME: Salt Wash 1-16

SECTION SE SE 16 TOWNSHIP 23S RANGE 17E COUNTY Grand

VERBAL APPROVAL GIVEN TO PLUG AND ABOVE REFERRED TO WELL IN THE FOLLOWING MANNER:

TOTAL DEPTH: 1560'

CASING PROGRAM:

13 3/8" @ 40 cement to surface
12 1/4" T.D.

FORMATION TOPS:

Navajo-	surface (19,000 ppm water at 80'
Kayenta-	1020'
Wingate-	1030'
Chinle-	1450'

PLUGS SET AS FOLLOWS:

- 1) Heal up fractures with loss circ materials, mud and cuttings.
- 2) cement to surface with redi-mix

clean up location, erect regulation dryhole marker, fill pits, restore site, and notify this Division when work is completed

DATE 2-6-81 SIGNED MTM

cc: Megado

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

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

State

<p>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.)</p>		<p>5. LEASE DESIGNATION AND SERIAL NO. ML-33348</p> <p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</p> <p>7. UNIT AGREEMENT NAME</p> <p>8. FARM OR LEASE NAME STATE</p> <p>9. WELL NO. ST. #1-16</p> <p>10. FIELD AND POOL, OR WILDCAT SALT WASH</p> <p>11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SE. SE. SEC. 16-23S-17E</p> <p>12. COUNTY OR PARISH SIM</p> <p>13. STATE UTAH</p>
<p>1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER INFORMATION (PLUG & ABANDON)</p> <p>2. NAME OF OPERATOR MEGADON ENERGY CORPORATION</p> <p>3. ADDRESS OF OPERATOR STE. 440, 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH</p> <p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface SE. SE. SECTION 16-23S-17E. (605' FR. E-LINE AND 731' FR. S-LINE)</p>	<p>14. PERMIT NO.</p> <p>15. ELEVATIONS (Show whether DF, WT, OR, etc.) 4315' GRD; 4330' K.B.</p>	

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"/>	FULL 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 ACIDISE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input checked="" type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(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.)

The subject well was drilled to a depth of 1560' with a 12½" bit using air-mist for circulation. Fantastic amounts of water were encountered in the hole with the amount increasing from 60' to total depth. Big geysers and water flows to the surface were developing around and under the rig. It was, therefore, necessary to cease drilling to eliminate the possibility of the rig falling into a crater. The situation was also to drastic to permit skidding the rig to a different position on the same location. Therefore the hole will be plugged as soon as the rig is removed in the following manner:

Bottom of hole will be filled with sand, gravel, and cuttings, and then cemented solidly to the surface inside the conductor pipe. The location will be recontoured, levelled, and seeded.

encountered water

FEB 10 1981

DIVISION OF OIL, GAS & MINING

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

SIGNED *H. How Grigley* TITLE PRESIDENT DATE FEB. 6, 1981

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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

5. LEASE DESIGNATION AND SERIAL NO.

ML-33348

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 INFORMATION (PLUG & ABANDON)

8. FARM OR LEASE NAME

STATE

2. NAME OF OPERATOR
MEGADON ENERGY CORPORATION

9. WELL NO.

ST. #1-16

3. ADDRESS OF OPERATOR
STE. 440, 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH

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 BLM. AND SURVEY OR AREA

SE. SE. SEC. 16-23S-17E. SLM.

SE. SE. SECTION 16-23S-17E.
(605' FR. E-LINE AND 731' FR. S-LINE)

14. PERMIT NO.

15. ELEVATIONS (Show whether DP, RT, OR, etc.)

4315' GRD; 4330' K.B.

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

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON*

SHOOTING OR ACIDIZING

ABANDONMENT*

REPAIR WELL

CHANGE PLANE

(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.)*

The subject well was plugged and abandoned in the following manner:

The casing was cut off 6' below ground level; killed the hole to bottom of casing with sand. Filled casing with 20 sks cement, and covered the area. The location has been levelled, pits filled in, and will be contoured and seeded as soon as possible.

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

SIGNED

W. Roy Quigley

TITLE

PRESIDENT

DATE

MAR. 3, 1981

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number SALT WASH STATE #1-16

Operator MEGADON ENERGY CORPORATION Address 57 WEST SO. TEMPLE, SLC, UTAH

Contractor EMPIRE DRLG. CO. Address 3033 SO. PARKER RD, AURORA, CO.

Location SE. 1/4 SE. 1/4 Sec. 16 T. 23S R. 17E. County GRAND, UTAH

Water Sands

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	From	To	Flow Rate or Head	Fresh or Salty
1.	1000-	1500 ^M	50 Bbls water/hr.	Fresh (19 parts per million semi-chloride)
2.				
3.				
4.				
5.				

(Continue of reverse side if necessary)

Formation Tops

Remarks

GEYSERS WERE FORMING AROUND RIG, SO HAD TO MOVE RIG TO ANOTHER LOCATION.

NOTE: (a) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.

(b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

L. L. Bateman

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



March 10, 1981

Mr. Jack Feight
Oil & Gas Commission
Dept. of Natural Resources
1588 West North Temple
Salt Lake City, Utah 84116

Dear Jack:

Enclosed is the "Report of Water Encountered During Drilling" of the Salt Wash State #1-16 well. The Sundry on the procedures of plugging and abandoning the above well has already been filed. I apologize for the delay in filing the enclosed report.

If you have any questions, please advise.

Sincerely yours,

Sherrill L. Bateman
Secretary/Treasurer

Enclosure

RECEIVED
MAR 12 1981

DIVISION OF
OIL, GAS & MINING

June 3, 1981

Megadon Energy Corporation
Suite#440, 57 West So. Temple
Salt Lake City, Utah 84101

Re: ~~Sub~~^S State # 1-16
Sec. 16, T.23S. R.17E.
Grand County, Utah

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above mentioned well is due and has not been filed with ~~his~~ office as required by our rules and regulations.

Please complete the enclosed Form OGC-3, in duplicate, and forward them to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING



SANDY BATES
CLERK-TYPIST



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

February 3, 1982

Megadon Energy Corporation
57 West South Temple, Ste. 440
Salt Lake City, Utah 84101

Re: Well No. State #1-16
Sec. 16, T. 23S, R. 17E
Grand County, Utah
SECOND NOTICE

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above mentioned well is due and has not been filed with this office as required by our rules and regulations.

** If we do not hear from your office within fourteen days, this file will be turned over to the attorney at the Division of Oil, Gas and Mining for legal action.

Please complete the enclosed Form OGC-3, in duplicate, and forward them to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

Cari Furse
Clerk Typist



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

February 17, 1982

Megadon Energy Corporation
57 West South Temple, Ste. 440
Salt Lake City, Utah 84101

Re: Well No. State #1-16
Sec. 16, T. 23S, R. 17E
Grand County, Utah

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above mentioned well is due and has not been filed with this office as required by our rules and regulations.

Please complete the enclosed Form OGC-3, in duplicate, and forward them to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

A handwritten signature in cursive script that reads "Cari Furse".

Cari Furse
Clerk Typist

****Rule C-5 "Filing of a Well Log": Within ninety (90) days after the suspension of operations on, abandonment of, or the completion of any well drilled for the production of oil and/or gas, and within ninety (90) days after the completion of any further operations on the well, if such operations involved drilling deeper or drilling or re-drilling any formation, a well log shall be filed with the Commission on a form prescribed by the Commission, together with a copy of the electric and radioactivity logs, if run. The filing of a legible copy of the report filed with the U.S. Geological Survey will be considered compliance.



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

October 4, 1985

Megadon Energy Corporation
57 West South Temple, #253
Salt Lake City, Utah 84101

Gentlemen:

RE: Well No. State 1-16, Sec.16, T.23S, R.17E, Grand County, Utah

It has been brought to the attention of the Division staff that several problems exist at the site of the referenced plugged and abandoned well. Enclosed is a report from a Division inspector indicating that several large sink holes exist in the vicinity of the well. Because these sink holes pose a hazard to vehicles, wildlife, and the general public, we request that you submit plans for resolving this problem and reclaiming the surface location in a proper manner. With the possibility of winter weather approaching, we additionally request that you submit your plans to the Division within 15 days of receipt of this letter.

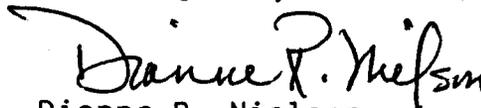
Review of our well records and discussions among staff members have indicated that these sink holes and associated problems occurred during the drilling and prior to the abandonment of this well. Interviews with operating personnel in the Salt Wash area suggest that the problems may be increasing at this location as there appears to be continuous sloughing of the sink holes.

Although the well was plugged and abandoned in 1981, it remains Megadon's responsibility to alleviate the problems on this location. With the increase of recreational vehicle activity in the area, it is imperative that this problem be resolved as quickly as possible.

Page Two
Megadon Energy Corporation
October 4, 1985

Thank you for your consideration in this matter. If you have any questions or concerns, please contact this office.

Best regards,



Dianne R. Nielson
Director

sb

Enclosure

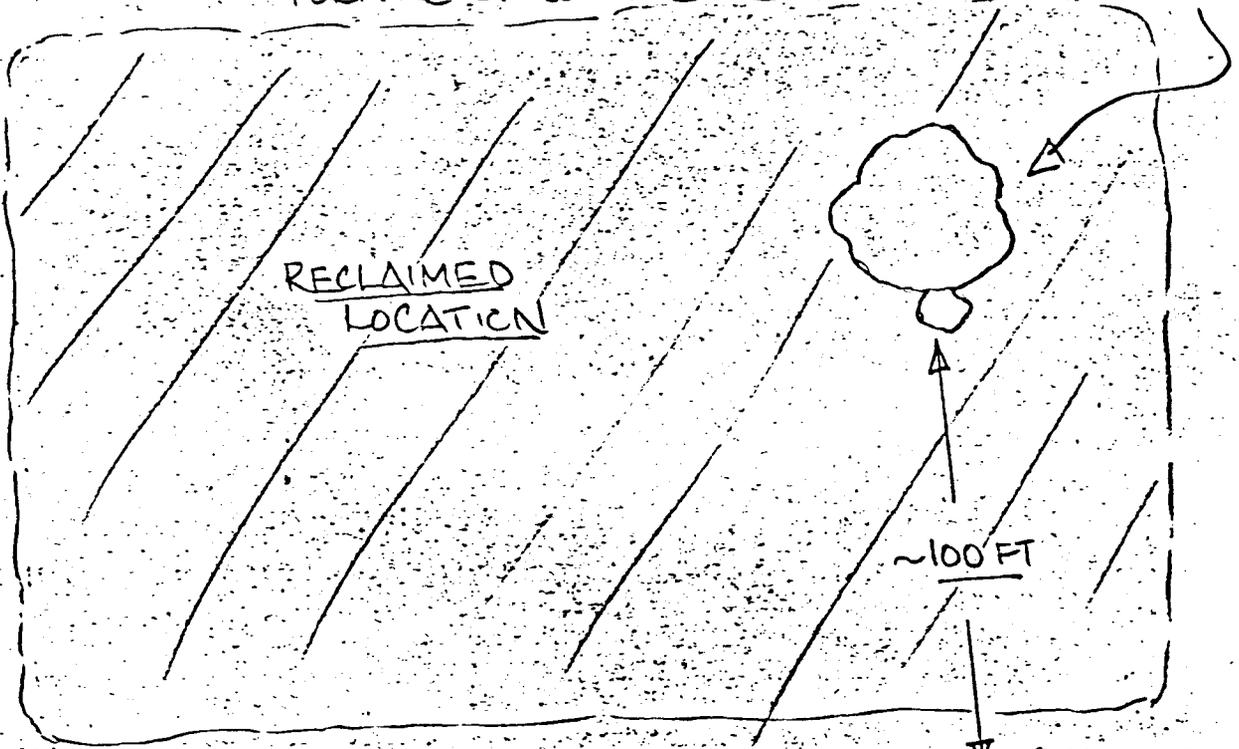
cc: Donald G. Prince

Division of State Lands and Forestry
R. J. Firth, Associate Director of Oil and Gas
Well File

0155T-038-39

CLIFF EDGE

LARGER SINKHOLE (APPROX 20 FT DIAMETER BY 6 FT DEEP) - SMALLER SINKHOLE (APPROX 4 FT DIAMETER BY 3 FT DEEP) FORMING ON SOUTH EDGE OF LARGER SINKHOLE



RECLAIMED LOCATION

~100 FT

SMALLER SINKHOLE (APPROX 4 FT BY 4 FT BY 6 FT DEEP)



MEGADON ENERGY CORP STATE 1-16
SESE 16 T23S R17E
GRAND COUNTY, UTAH

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

5. LEASE DESIGNATION AND SERIAL NO.
ML-33348

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
STATE

9. WELL NO.
ST. #1-16

10. FIELD AND POOL, OR WILDCAT
SALT WASH

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA
SE. SE. SEC. 16-23S-17E.
SLM.

12. COUNTY OR PARISH
GRAND

13. STATE
UTAH

SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED

(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.)

OCT 22 1985

1. OIL WELL GAS WELL OTHER INFORMATION (SINK HOLES)

2. NAME OF OPERATOR Enterprises, Inc. * No account was ever assigned to Megadon Energy DIVISION OF OIL GAS & MINING
MEGADON ENERGY CORPORATION

3. ADDRESS OF OPERATOR
SUITE 360, 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH 84101

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
SE. SE. SECTION 16, T 23S, R 17E.
(605' FR. E-LINE AND 731' FR. S-LINE)

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, WT, OR, etc.)
4315' GRD; 4330' K.B.

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"/>	FULL 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 ACIDISE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input checked="" type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) INFORMATION <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.)*

Your notice of October 4, 1985 which was received on October 15, indicated certain sink holes developing on the well location for the State #1-16 well, Section 16-23S-17E, Grand County, Utah, and requested that Megadon fill in these sink holes. Accordingly, we have investigated and found the sink holes present and are thus proceeding to take care of the matter. We plan to trench between the sink holes to make sure that there is not a cavern below and then fill in the sunken area. We plan to do this work on Tuesday or Wednesday this week.

Since the well was never drilled and no surface casing was set before the sink holes started developing on the location, a well marker is not required.

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

SIGNED W. Don Gensley TITLE President DATE 10-21-85

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: