

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. U-18444	
b. TYPE OF WELL 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 MEGADON ENTERPRISES, INC.			7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH 84101			8. FARM OR LEASE NAME FEDERAL	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface NE. NE. SECTION 6, T 20S, R 24E, SLM. At proposed prod. zone (660' FR. N-line and 660' FR. E-line) <i>NE NE</i>			9. WELL NO. HAYS #1-6	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 6 miles NE. of Cisco, Utah			10. FIELD AND POOL, OR WILDCAT <i>WILDCAT Dr. Cisco Area</i>	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 660'		16. NO. OF ACRES IN LEASE 80	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. No other		19. PROPOSED DEPTH 2,500' <i>Entrada</i>	20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4665' Grd; 4673' K.B.			22. APPROX. DATE WORK WILL START* March 30, 1982	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8 5/8"	24.00#	150'	100 sks
7 7/8"	4 1/2"	10.50#	Thru pay zones	cemented to 200' above Kd

It is planned to drill a well at the above location to test the oil and/or gas production possibilities of the sands in the Dakota, Cedar Mt., and Morrison formations. The well will be drilled to a point which is near the top of the Entrada formation or to commercial production, whichever is at a lesser depth. The well will be drilled with rotary tools, using air for circulation. The surface casing will be set at about 150 ft. and cemented with returns to the surface. A blowout preventer with hydraulically operated blind and pipe rams will be installed on top of the surface casing, and a rotating head will be used on top of the blowout preventer. Fill and kill lines (2") will be connected below the blind rams. Any gas encountered will be flared at the end of the blowout line, and roughly checked for volume thru 2" line after the pipe rams have been closed. A float valve will be used in the bottom drill collar at all times. Prognosis for well is attached.

RECEIVED

MAR 11 1982

DIVISION OF OIL, GAS & MINING

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 *H. Row Guigley* TITLE PRESIDENT DATE MARCH 8, 1982

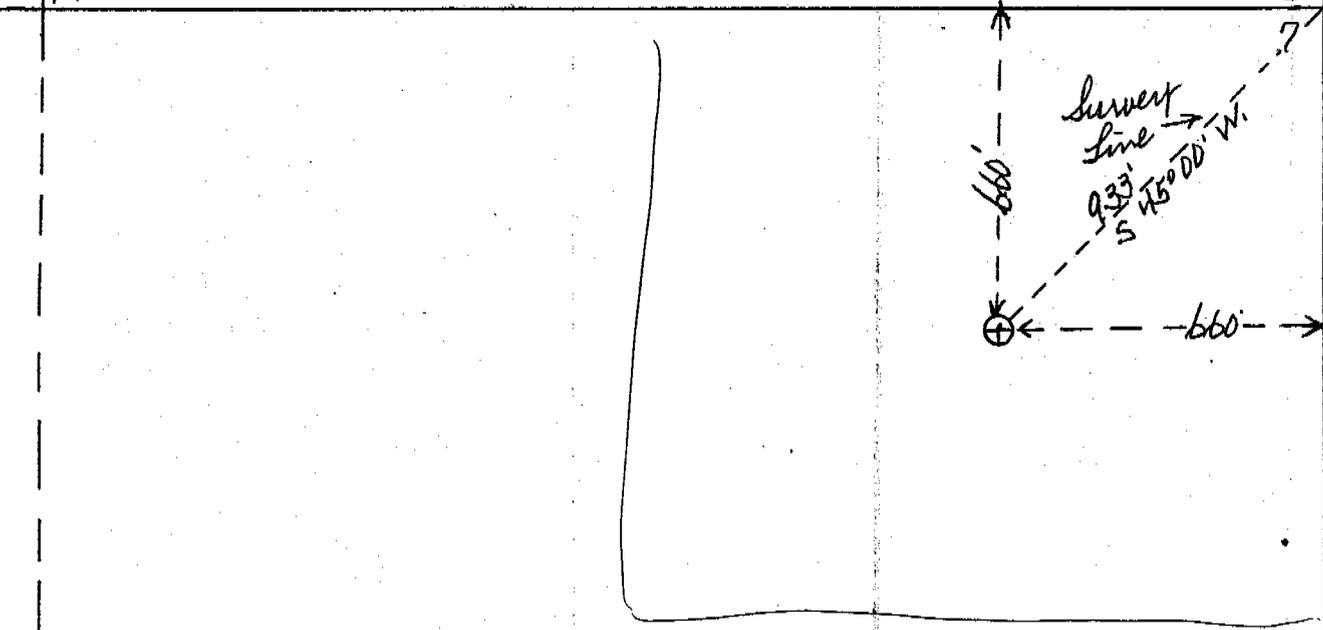
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE **APPROVED BY THE STATE**
OF UTAH DIVISION OF OIL, GAS, AND MINING

APPROVED BY _____ TITLE _____ DATE 3/22/82
BY *[Signature]*

LOCATION SURVEY
MEGADON - HAYS #1-6
SECTION 6, T 20S, R 24E.
GRAND COUNTY, UTAH
(660' FR. N-LINE AND 660' FR. E-LINE)
ELEVATION: 4665' Grd.

1/4 cov.



NE 1/4 SECTION 6

1/4

1/4 cov.

REFERENCE PTS: 150' N-S-E-W

SCALE: 1" = 400'

DATE: 3-5-82

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

Sherman D. Gardner

Registered Land Surveyor
State of Utah #1556



PLAT #1

Identification CER/EA No. 219-82

MAR 29 1982

United States Department of the Interior
Geological Survey
2000 Administration Bldg.
1745 West 1700 South
Salt Lake City, Utah 84104

SALT LAKE CITY, UTAH

NEPA CATEGORICAL EXCLUSION REVIEW

PROJECT IDENTIFICATION

Operator Megadon Enterprises
Project Type Oil Well - Development
Project Location 660' ENL 660' FEL SEC 6 - 20S - 24E
Well No. HAYS #1-6 Lease No. U-18444
Date Project Submitted 3-15-82

FIELD INSPECTION

Date 3-24-82

Field Inspection
Participants

Craig Hansen Bmms - Denial
Paul Brown Bm - mofb
Don Ourgley Megadon Enterprises

Related Environmental Documents: _____

I have reviewed the proposal in accordance with the categorical exclusion review guidelines. This proposal would not involve any significant effects and, therefore, does not represent an exception to the categorical exclusions.

3-26-82
Date Prepared

Craig Hansen
Environmental Scientist

I concur

MAR 29 1982
Date

W. P. Martens
District Supervisor

FOR E. W. GUYNN
DISTRICT OIL & GAS SUPERVISOR

CATEGORICAL EXCLUSION REVIEW INFORMATION SOURCE

Criteria	Federal/State Agency			Local and private correspondence (date)	Previous NEPA	Other studies and reports	Staff expertise	Onsite inspection (date)	Other
	Correspondence (date)	Phone check (date)	Meeting (date)						
516 DM 2.3.A									
Public health and safety				3-24-82 Private Agreement.			2	3-24-82 2,4,6,7	
Unique characteristics							2	2,4,6,7	
Environmentally controversial							2	2,4,6,7	
Uncertain and unknown risks							2	2,4,6,7	
Establishes precedents							2	2,4,6,7	
Cumulatively significant							2	2,4,6,7	
National Register historic places							2		
Endangered/threatened species							2		
Violate Federal, State, local, tribal law							2		

CATEGORICAL EXCLUSION REVIEW COMMON REFERENCE LEGEND

1. Surface Management Agency Input
2. Reviews Reports, or information received from Geological Survey
(Conservation Division, Geological Division, Water Resource Division,
Topographic Division)
3. Lease Stipulations/Terms
4. Application Permit to Drill
5. Operator Correspondence
6. Field Observation
7. Private Rehabilitation Agreement

Recommended stratifications for mequdon
Interp. 385 #1-6.

1. A Small berm will be placed on the west edge of the location to divert Run off from location
2. production facilities will be painted a tan color to blend in with the natural surroundings
3. A private Rehabilitation agreement will be obtained from the private land owner.
4. A ~~right~~ right of way agreement will be obtained from Blm marks ~~from~~ for access road.

Comments: the location is on Private Surface Federal minerals. Surface disturbance is minimal.



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

March 3, 1982

Patsantaras Land & Livestock Co.
3112 A 1/2 Rd.
Grand Junction, Colorado

Re: Letter Agreement on Damages to Surface
Rights for Well Site

Dear Sirs:

Megadon Enterprises Inc., of Salt Lake City is planning to drill a well in the NE. NE. of Sec. 6, T20 S R 24 E, SLM, Grand County, Utah. A check of the land status of this location shows that you own the surface rights. We would, therefore, agree to pay you a reasonable amount for any damage that may ensue to your surface rights as a result of the drilling and possible production operations of the proposed well.

Therefore, for ten dollars (\$10.00) and an amount to be agreed upon, by both parties hereto, rendered as payment for possible damage to the surface of the lands in the N1/2 NE1/4 (Lots 1 & 2) Sec. 6-20S-24E you agree to permit the drilling and production operations of said well or wells which will include the laying of pipelines and building of access roads. The pipelines and roads are to be placed in such a manner as to cause minimum impairment to your grazing or other operations on the property. All facilities connected with the well including pits and machinery with moving parts will be fenced and/or housed to prevent injury to livestock. When operations, either drilling in the event of a dry hole or production ceased, all equipment, including pipelines if present, will be removed and the site plus roads will be rehabilitated and seeded with wheat and/or rice grass according to your satisfaction.

If the foregoing is agreeable, please sign in the designated space below and return one copy to us. Please call us so that we may agree on the amount for damages and after agreement indicate the amount and initial it in the space below.

Amount of Damages \$ _____

Agreed to:

President
Patsantaras Land & Livestock Co.

Dated: _____

Sincerely yours,

W. Don Quigley, President
Megadon Enterprises, Inc.

NTL - 6 PLAN REPORT

For

Well Name: MEGADON ENTERPRISES INC. HAYS #1-6 WELLLocation: NE. NE. SECTION 6-20S-24E, SLM., GRAND COUNTY, UTAH1. Existing Roads: (See attached Maps)

A. Well Location: (See Plat #1)

Reference Stakes: 150' N-S-E-WPerimeter Stakes: As Above. Stakes outline maximum perimeter of well pad.

B. Route and Distance to Well Site From Reference Point: (See att. maps)

From the E. Cisco exit on I-70, the site is 4 miles along secondary and unimproved roads on Danish Flat.

C. Access Roads (Identify secondary roads to be used): (See att. maps)

The Danish Flat road going north from the E-Cisco Exit is used for the first 3 miles. At this point a road trending east along the pipeline is used for about 1½ mile and then a new road trending west to the well is used for 600 feet.D. Roads Within 3 mile Radius: (See att. maps) The main Danish Flat road is a county road, is partially gravelled, graded, crowned, and ditched. All the other roads around the well site are unimproved and are flat with no drainage provisions. The last mile of road will be improved. It is on Mancos soil and fairly flat topography, and is on shale and silt along pipeline. It is flat with no crown or ditches.

Surface type and conditions: _____

E. Roads Within 1 mile Radius: (See att. maps) See 1-D Above.

The roads within 1-mile of the site are mostly dozed trails (old seis trails) dozed across natural topography and soil. The road base is Mancos shale and soil with some gravel and conglomerate on the bench areas. They are normally about 14' wide.F. Plans for Road Improvement & Maintenance: In the event of production, the last 1½ mile of road will be widened to a maximum disturbed width of 20', graded and crowned with ditches (18" deep) on each side. This road will be crowned and

F. ditched on both sides initially. The road base will be silt and clay and packed down. Some gravel may be added at a later date, if required.

2. Planned Access Roads: (See att. maps) A new road for about 1/10 mile will be required. This road will also be crowned and ditched initially.

(1) Width: Maximum disturbed width will be 20 ft.

(2) Maximum Grades: Less than 2%

(3) Turnouts: None needed

(4) Drainage Design: None needed

(5) Location and Size of Culverts, Cuts, and Fills: None needed

(6) Surfacing Material: The road is across Mancos shale and soil which is composed of clay and silt. No other material will be used initially.

(7) Gates, Cattleguards, or Fence Cuts: None

(8) All new roads have been flagged as required.

3. Location of Existing Wells: (See Map No. #1)

(1) Water Wells: None

(2) Abandoned Wells: See Map #1

(3) Temporarily Abandoned Wells: None

(4) Disposal Wells: None

(5) Drilling Wells: None at present.

(6) Producing Wells: Several - See Map #1

(7) Shut-in Wells: Three

(8) Injection Wells: None

(9) Monitoring or Observation Wells: None

4. Location of Existing and/or Proposed Facilities:

A. Within 1-mile radius of location show the following existing facilities owned or controlled by lessee/operator:

(1): Tank Batteries: (Size) None

(2) Production Facilities: Operator has no other operations in the area at the present time.

(3) Oil gathering lines: None

(4) Gas gathering lines: None

(5) Injection lines: None

(6) Disposal lines: None

(7) Are lines buried?

B. If new facilities are contemplated, in the event of production, show: (These facilities depend on the outcome of the proposed well and are really unknown at this time.) Show a general proposed plan. (See Plat No. 2)

(1) Are any facilities planned off well pad? None at this time. If the well is a successful gas well, a gas gathering line 3½", will have to be laid and connected to the main gas line about 1/10 mile to the east but this will be covered by a separate proposed plan, accompanied with maps, surveys, etc., at a later date. The location is on private surface rights and an agreement with the land owner has been made.

(2) Give dimensions of facilities: See Plat #2

(3) Construction methods and materials: Location will be levelled for production equipment. Tank batteries will be placed on a 3" gravel pad and surrounded with a 18" dike (15' from tanks). Separators and heater-treaters will be placed on gravel pads or cement bases. Pump jacks will be on cement platforms or on raised dirt and gravel mounds. All pipelines on the pad will be buried.

(4) Protective measures for livestock and wildlife: All open pits will be fenced with woven wire (sheep) fence, 40", and pump jacks or rotating machinery will have guards to prevent danger by moving parts.

C. Plan for rehabilitation of disturbed areas no longer needed after drilling operations are completed: Well site will be cleaned, levelled,

C. it has fluid before the rig is moved. While production ensues, previous areas of well pad not needed for production operations will be restored as in Item 10 below. Cleaning the site and pit work will be done within 30 days after well is completed, if possible.

5. Location & Type of Water Supply: (See att. maps)

A. Type of Water Supply: Cottonwood Wash (natural flow) located in Section 32, T 19S, R 24E. (See Map #1)

B. Method of Transporting Water: The water will be hauled from the wash to the well site by truck along the Danish Flat road. This will be approximately 1 mile from the spring to the well site.

C. Is Water Well Planned? No
If so, describe location, depth and formation: _____

6. Source of Construction Materials:

A. See attached map and describe: None will probably be required, since the well will be drilled during the good weather season.

B. Identify if Federal, Indian, or Fee Land: _____

C. Describe Material: (Where from and how used) _____

D. See item 1-C and 2 above.

7. Waste Disposal:

- The cuttings will be blown into the reserve pit, and the blewie line
- (1) Cuttings: will be directed into the cut portion of the pad.
 - (2) Drilling Fluids: In mud tanks; excess put into reserve pit.
 - (3) Producing Fluids (oil or water) Oil in tanks; water in reserve pit.
 - (4) Human Waste: Chemical toilet.

(5) Garbage & Other Waste: Deposited in portable basket.

(6) Clean-up: (See item 10 below) All disturbed areas will be cleaned and levelled. The unused material and all equipment will be removed from the site and taken to supply yards or to the next drill site, as soon as the well is completed.

8. Airstrips and/or Camp Sites (Describe): None needed

9. Well Site Layout: (See Plat No. 3)

(1) Describe cuts or fills: The location is on fairly level ground, which will be levelled to the sides after the top soil has been removed. No cuts or fills will be required.

(2) Describe pits, living facilities, soil stockpiles: Reserve pit is long and narrow as shown, and will be placed on the east side. Excavated material will be piled at the east end of pit. Top soil, 12" deep, will be piled at the north, west, and south ends of the site. Two or three trailer houses will be provided for supervisory personnel. The reserve pit will be fenced on 3 sides initially.

(3) Rig Orientation, Pipe rack, Access Road Entrance, etc.: (See Plat #3)

(4) Are Pits Lined? Unlined with 4' banks. A 12' to 15' bank will be placed at the east end of the pit.

10. Plans For Restoration:

A. If Well is completed: Site will be cleaned, debris removed, pits folded-in or fenced with woven wire if full of fluid, and site levelled for production equipment. All unused portions will be contoured, graded, scarred, and seeded with wheat grass, or acceptable seed mix requested by land owner.

B. If Well is abandoned:

(1) Clean-up, levelling, folding pits-in, contouring: These items will be done as soon as possible. Clean-up will be accomplished at time rig is removed.

B. (1) The rest of the work should be done within 10 to 60 days after well is completed.

(2) Seeding location and access road: Site will be seeded with crested wheat grass, or with a seed mix suggested by owner by drilling. The access road, if no longer needed, will be erased, contoured, seeded, and drilled as above. Water bars will be placed where needed.

(3) Will pits be fenced or covered? If there is any amount of fluid in the reserve pit, it will be fenced with woven wire on the 4th side before rig is released and remain fenced until fluid dries up and pit is reclaimed.

(4) Is there any oil in reserve pit?

If so, describe disposal: Should not be any great amount. If there is a large amount, it will be removed prior to covering pit.

(5) When will restoration work be done? As soon as possible. Within 60 days after equipment is removed if weather and availability of clean-up equipment permit and will be completed within 10 days thereafter.

11. Description of Land Surface:

(1) Topography & Surface Vegetation: Location is on fairly flat ground. It is on typical Mancos soil of silt and clay. Sparse sage brush, shad scale, grass and tumble weed are present.

(2) Other Surface Activities & Ownership: The land around the drill site is on Federal land with minerals and surface owned by the Patsantaras Land & Livestock Co. Megadon has an oil and gas lease on the N $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Section 6. The area does have some grazing by sheep. There are no powerlines or sites, irrigation ditches or cultivation in the area.

(3) Describe other dwellings, archaeological, historical, or cultural sites: There are no known buildings, archaeological, historical or cultural sites in the area. Other oil and gas well drilling and production are present in the general area. Archaeological inspection of the area has been covered by a prior inspection of the whole township (T 20S, R 23E).

12. Operators Representative: (Address & Phone number)

W. DON QUIGLEY, 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH 84101
801-359-3575

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access route; that I am familiar with the conditions which presently exist; that statements made in this plan are, to the best of my knowledge, true and correct; and that work associated with the operations proposed herein will be performed by MEGADON ENTERPRISES INC. and its contractors in conformity with this plan and terms and conditions under which it is approved.

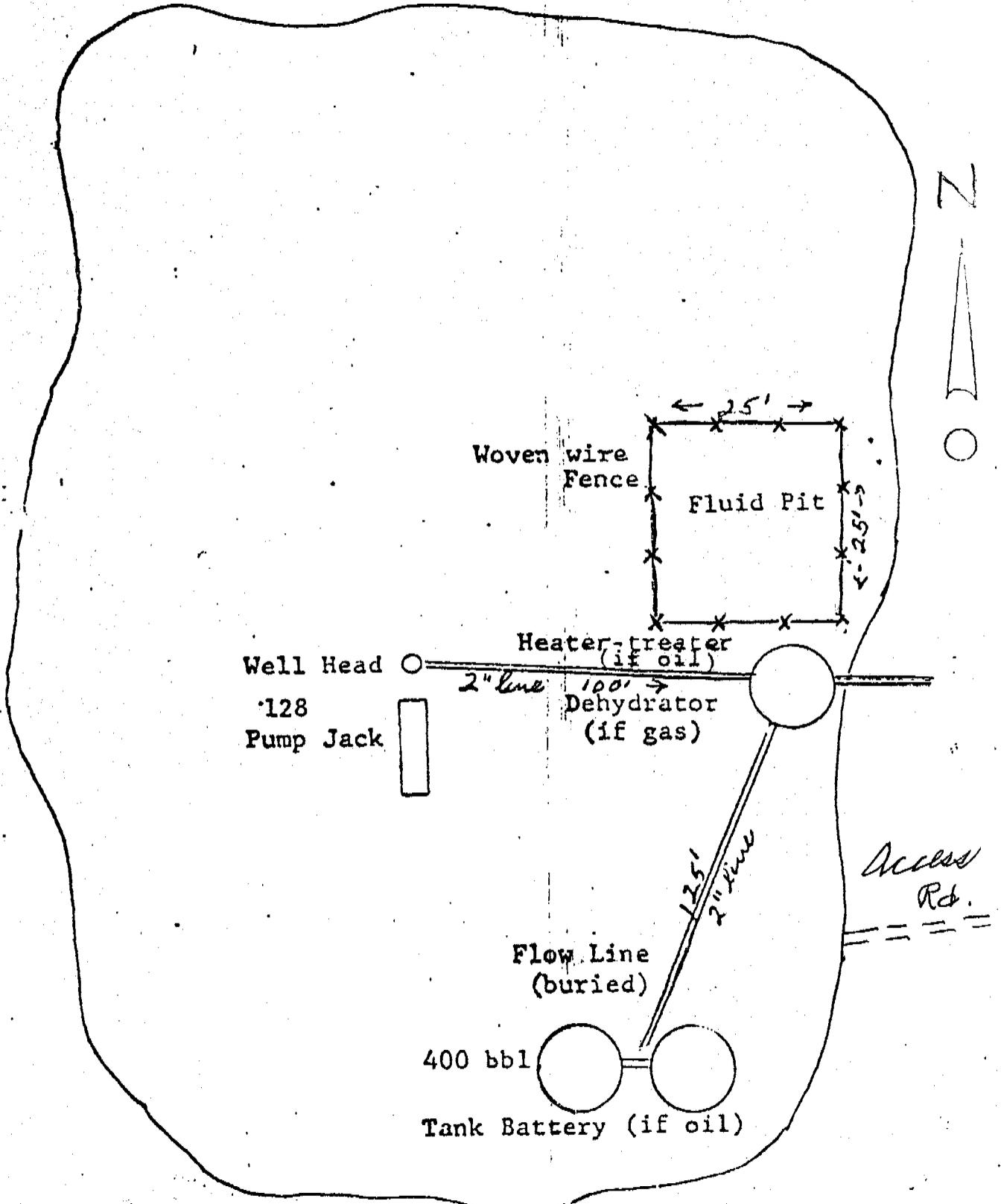
Date: MARCH 8, 1982

Name: _____

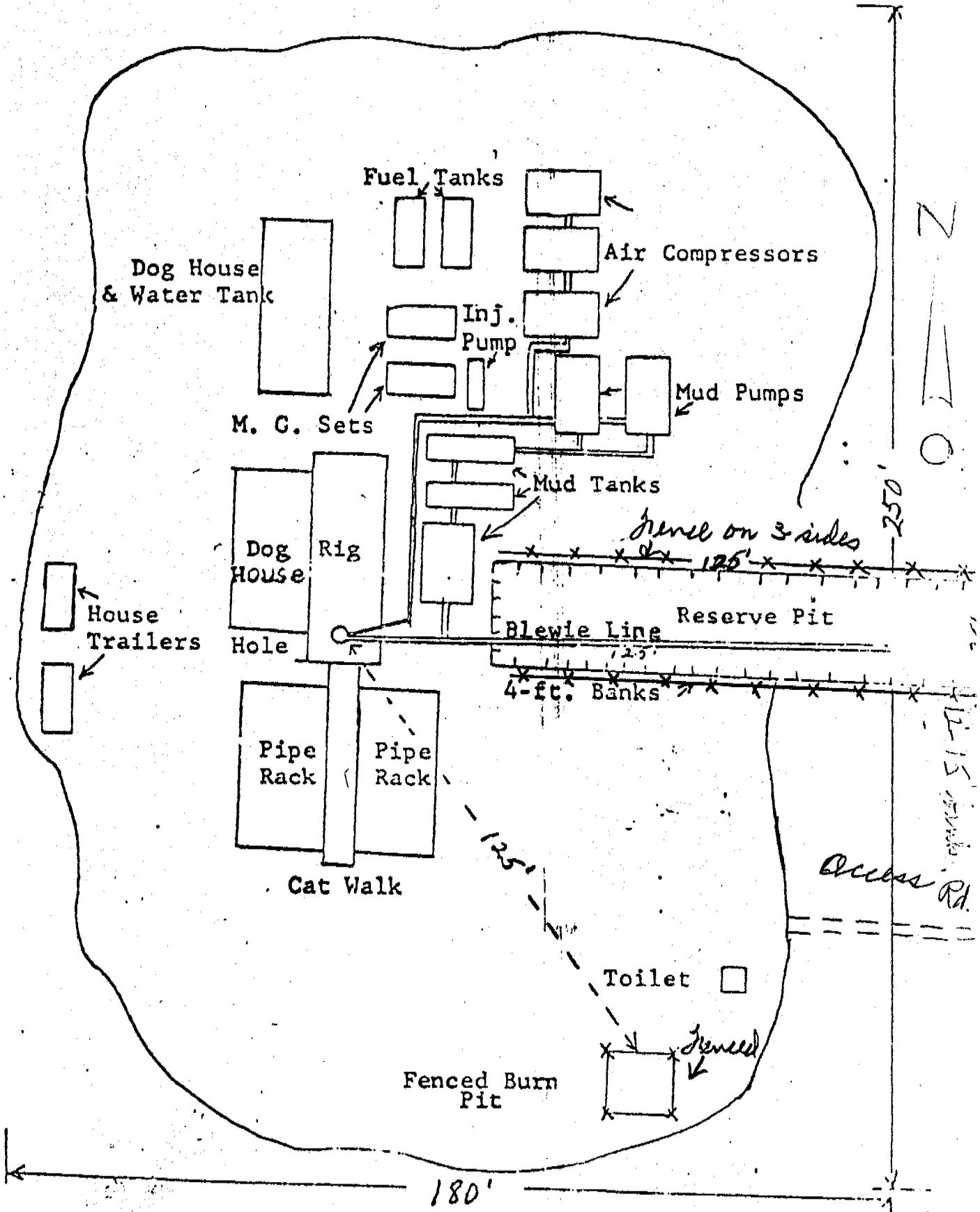
Title: PRESIDENT

PLAN FOR PRODUCTION EQUIPMENT

MEGADON ENTERPRISES INC.
HAYS #1-6 WELL
NE: NE. SECTION 6-20S-24E.
GRAND COUNTY, UTAH



LOCATION PLAN FOR
 MEGADON ENTERPRISES INC.,
 HAYS #1-6 WELL
 NE. NE. SECTION 6-20S-24E.
 GRAND COUNTY, UTAH



Scale: 1 in. = approx. 30 ft.

WELL CONTROL EQUIPMENT FOR

MEGADON ENTERPRISES INC.

HAYS #1-6 WELL

NE. NE. SECTION 6-20S-24E.

GRAND COUNTY, UTAH

The following control equipment is planned for the above designated well: (See attached diagram)

1. Surface Casing:

- A. Hole size for surface casing is 12½".
- B. Setting depth for surface casing is approx. 200 ft.
- C. Casing specs. are: 2 5/8" O.D., K-55, 24.00#, 8 rd. thread, R-3 new or used.
- D. Anticipated pressure at setting depth is approx. 20 lbs.
- E. Casing will be run using three centralizers and a guide shoe, and will be cemented with 75 sks of cement with returns to the surface.
- F. Top of the casing will be near ground level.

2. Casing Head:

Flange size: 10", A.P.I. Pressure rating: 2000# W.P., Series 600; Cameron, OCT, or equivalent; new or used; equipped w/two 2" ports with nipples and 2", 2000# W.P. ball or plug valves. Casing head and valves set above ground level. (A flange only may be used on top of the casing, if the B.O.P. is equipped with 2" outlets below the blind rams.)

3. Intermediate Casing:

None

4. Blowout Preventors:

- A. Double rams; hydraulic; one set of blind rams; one set of rams for 3½" or 4" drill pipe; 10" flange; 2000# or greater W.P.; Series 900; equipped with mechanical wheels and rod for back-up; set on top of casing head flange and securely bolted down, and pressure tested for leaks up to 2000 p.s.i. A hydraulically operated hy-drill may be used in place of the above B.O.P., if equipped with 2" outlets below the rams. B.O.P. will be tested for leaks at 2000# p.s.i. prior to drilling below surface casing.
- B. Rotating Head: Shaffer, Grants or equivalent, set on top of blowout preventor and bolted securely; complete with kelly drive, pressure lubricator; 3½" or 4" rubber for

2000# W.P.; need not have hydril assembly on bottom, if a separate hydril or B.O.P. is used.

- C. **Fill and Kill Lines:** The fill and kill lines (2" tubing or heavy duty line pipe) are to be connected thru the 2" valves on the casing head and thru a manifold to permit ready switching from the fill to kill lines.

5. Auxillary Equipment:

A float valve is to be used in the bottom drill collar at all times. A safety valve that can be used in the drill pipe will be kept within easy reach on the rig floor at all times.

6. Anticipated Pressures:

The shut-in pressures of the Dakota, Cedar Mountain, and Morrison formations at depths of 2000' to 3000' in the area have been measured at about 600# to 800# maximum. No toxic gases have ever been encountered in the area and none are anticipated.

7. Drilling Fluids:

Air will be used to drill the subject well until water is encountered, then air-soap-water mist will be used to drill the well deeper. In case of excessive caving problems, it may be necessary to convert to mud.

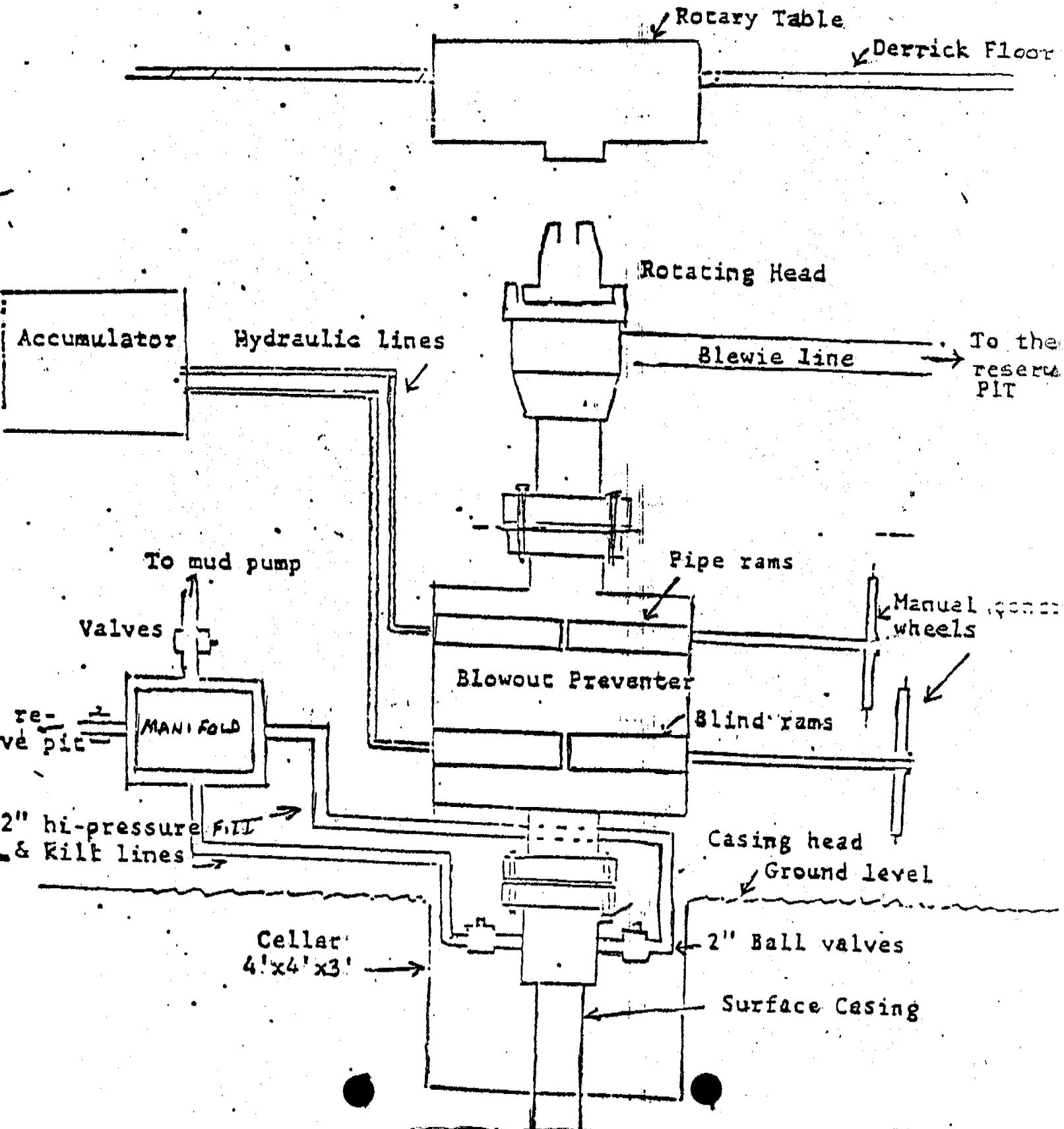
8. Production Casing:

- A. Hole size for production casing will be 7 7/8".
- B. Approx. setting depth will be about 3500'.
- C. Casing Specs. are: 4 1/2" O.D.; K-55; 10.50#; 8-rd thread; R-3, new.
- D. If good production is obtained, the casing will be run with a guide shoe at the bottom and about six centralizers and cemented conventionally with sufficient R.F.C. cement to cover 200 ft. above the top of the Dakota formation. The production zone will be perforated, 2 3/8" O.D. tubing will be run, and the well completed conventionally. In the event the production is small, it may be desirable to minimize the damage to the formation by keeping all mud and cement off the formation. In this case the procedure outlined below will be used.
- E. Casing will be run with about six centralizers and a cement basket with DV tool set above the production zone.

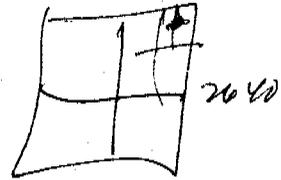
There will be sufficient casing to extend thru the production zone below the basket with a blind guide shoe on the bottom. The casing will be cemented above the packer with about 85 sks of cement (sufficient to cement thru the Dakota formation). The cement will be allowed to cure at least 48 hrs. The plug can then be drilled out and the casing perforated below the DV tool. Two inch tubing will be run and secured in the tubing head prior to perforating.

SCHEMATIC DIAGRAM OF CONTROL EQUIPMENT FOR THE

MEGADON ENTERPRISES INC.
HAYS #1-6 WELL
NE. NE. SECTION 6-20S-24E.
GRAND COUNTY, UTAH



** FILE NOTATIONS **



DATE: 3-15-82

OPERATOR: Meadow Enterprises Inc.

WELL NO: Hay #1-6

Location: Sec. 6 T. 20S R. 24E County: Grand

File Prepared:

Entered on N.I.D:

Card Indexed:

Completion Sheet:

API Number 43-019-30939

CHECKED BY:

Petroleum Engineer: _____

Director: OK as per sub 102-145

Administrative Aide: OK as per order below needs lease ownership map

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. 102-145 9/26/79

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.

March 24, 1982

Megadon Enterprises, Inc.
57 West South Temple
Salt Lake City, Utah 84101

RE: Well No. Hays #1-6
Sec. 6, T. 20 S, R. 24 E
Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with the Order issued in Cause No. 102-16B dated September 26, 1979.

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

CLEON B. FEIGHT - Director
Office: 533-5771
Home: 466-4455

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 43-019-30939.

Sincerely,

DIVISION OF OIL, GAS AND MINING



Cleon B. Feight
Director

CBF/as

Encl.

cc: Minerals Management Service

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

Form approved,
Budget Bureau No. 42-R1424.

6. LEASE DESIGNATION AND SERIAL NO.

U-18444

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

FEDERAL

9. WELL NO.

HAYS #1-6

10. FIELD AND POOL, OR WILDCAT

CISCO AREA

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

NE.NE. 6-20S-24E, SLM.

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

2. NAME OF OPERATOR
MEGADON ENTERPRISES INC.

3. ADDRESS OF OPERATOR
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
NE, NE, SECTION 6-20S-24E, SLM.
660' FR. N-LINE AND 660' FR. E-LINE

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, AT, GR, etc.)
4665' Grd; 4673' K.B.

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:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input checked="" type="checkbox"/> INFORMATION	

(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 AT 12:30 P.M. ON MARCH 30, 1982 BY GUSHCO RIG #3. AN 11" HOLE IS BEING DRILLED TO 150' TO SET 7 5/8" (150') CSG. CASING WILL BE CEMENTED WITH RETURNS TO SURFACE. A 6 3/4" HOLE WILL THEN BE DRILLED TO TOTAL DEPTH.

RECEIVED
APR 01 1982

DIVISION OF
OIL, GAS & MINING

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

SIGNED Shirley Bateman SEC/TREAS

DATE 3-30-82

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

PROGNOSIS FOR
MEGADON ENTERPRISES INC.
HAYS #1-6 WELL

LOCATION: NE. NE. Section 6, T 20S, R 24E, SLM, Grand County,
Utah (660' from N-line and 660' from E-line)

ELEVATIONS: 4665' Grd; 4673' K.B.

SURFACE CASING: 150' of 8 5/8", 24.00#, K-55, R-3 casing set
and cemented with 100 sks cement w/3% CaCl; with re-
turns to surface. The surface hole (12 1/4") will be
drilled to 150' K.B. and will be no more than 1° devi-
ation.

EXPECTED FORMATION TOPS:

<u>Formation</u>	<u>Depth to Top</u>	<u>Thickness</u>	<u>Datum</u>
Mancos	Surface	1400'	4673' K.B.
Dakota*	1400'	100'	3273'
Cedar Mountain*	1500'	90'	3173'
Morrison (Brushy Basin)*	1590'	280'	3083'
(Salt Wash)*	1870'	250'	2803'
Curtis-Summerville	2120'	80'	2553'
Entrada	2200'	---	2473'
TOTAL DEPTH	2250'		

*Formations with possible hydrocarbons in paying
amounts

1. It is planned to drill a 12 1/4" surface hole for the surface casing down to a depth of about 150 ft. and set 8 5/8" casing with approximately 100 sks of cement with returns to the surface. A casing head or flange will be mounted on top of the surface casing and a blowout preventer with blind and pipe rams (hydraulic) will be mounted on top of the blowout preventer. A blewie line, at least 125' long, will then be attached to the rotating head and extended into the reserve pit. BOP will be tested to 2000# before drilling below surface casing.
2. A 7 7/8" hole will then be drilled below the surface casing, using air for circulation. A flare will be maintained at 500' and be low. This will insure that no gas will be missed. The air drilling will also minimize the damage to the hydrocarbon reservoir. No toxic gases have ever been encountered in this area and none are expected.
3. Samples of the cutting will begin at 1000'. 30-ft. samples will be taken from 1000' to 1200', and then 10-ft samples will be taken from 1200' to total depth.

4. It is planned to drill the well to a depth which is approximately 100 feet below the top of the Entrada formation unless good commercial flow of gas is obtained above this depth.
5. If a high gas flow (several million cubic feet) and/or when the total depth of the well is reached, electric logs will be run. Prior to running logs, high viscosity mud (not less than 100 vis.) will be pumped into the hole to provide control of the gas and to provide a conductive medium for the logs. A dual-induction-laterolog will be run from bottom to the top of the hole, and a Gamma-Density and Compensated Neutron Porosity log will be run from the bottom to a point which is 150' above the top of the Dakota formation. No toxic gases or high pressure zones are anticipated.
6. If good production (over 750 MCF) is obtained, 4½" O.D., 10.50#, K-55, R-3 new casing will be run and cemented conventionally with sufficient RFC cement to cover 200 ft. above the top of the Dakota formation. The production zone will then be perforated, 2 3/8" o.d. tubing run and completed conventionally.
7. It is anticipated that the drilling of the well will require less than one week.

MEGADON ENTERPRISES INC.

W. Don Quigley
President



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 26 1982

**DIVISION OF
OIL, GAS & MINING**

COMPLETION HISTORY

ON

✓
HAYS #1-6 WELL

- 7-12-82: 0830: Monument Well Service Rig #7 arrived and began rigging up. Finished rigging up at 1100 hrs.
1115: Rigged up swab; made 2 runs. Fluid level at 500 ft. below surface. First run had about $\frac{1}{2}$ bbl oil on top. Second run had some oil but was mostly saline water.
1200: Started out of hole with tubing. Picked up packer (Mountain States Oil Tool) and went in hole. Set packer at 1995' K.B. (32 stds of tubing in hole). Began swabbing. Made 2 runs. Fluid level at 500' below surface. First run recovered about 4 bbl of black oil and very little water. Second run recovered 150' ($\frac{1}{2}$ bbl) of oil. Swabbed dry on second run. Waited 45 min. and made another run. Recovered 50' of black oil. Waited 1 hr. and made another run. Recovered 30' of oil - no water. Decided to give zone a small fracture treatment in the morning.
1700: Shut well in and sent crew home.
Cost: \$3,650
- 7-13-82: 0800: Crew arrived. Casing Pressure = 0#; Tubing Pressure = 0#. Ran swab. Fluid level at 150 ft. from bottom. Had 150 ft. of fluid (50% oil) on first run. Second run recovered gas and about 5 gal. of oil.
0830-0915: Waiting for Dowell.
0915-1130: Rigging up to frac. Mixing gel.
1130-1230: Fractured treated well with 250 bbl. of gelled H₂O and 5000# of 20-40 mesh sand and 5000# of 10-20 mesh sand. Zone broke down at 3000# at 5 bbl/min rate and continued to break down to 1700# at 8 bbl/min rate with 2#/gal. of sand. Instant shut-in pressure was 700#; 15 min. shut-in was 700#.
1230-1500: Left well shut-in. Gel breakdown period is 1 hr.
1515-1815: Let well flow back. Well flowed a steady stream of frac-fluid thru-out the 3 hr. period. Flow rate gradually decreased to a 1" steady stream at the end of the 3-hr. period. No oil in frac-fluid yet. Est. recovered about 150 bbl of frac-fluid so far.
1800: Sent crew home.
1815: Shut well in for the night.
Cost: \$9,050
Cost to Date: 12,700
- 7-14-82: 0800: Crew arrived. T.P. = 300#; C.P. = 0#. Opened well and began flowing $1\frac{1}{2}$ " stream of frac-fluid, no oil yet. Well quit flowing at 1000 hrs, so began swabbing. Swabbed well dry by 1430 hrs. Waited 1 hr. and recovered about 500 ft. of fluid. Thin film of oil showing up on last few runs. Recovered about 30 bbls. more fluid today. (Approx-

Page 3
Completion History
Hays #1-6 Well

7-17-82: 0800 hrs: Crew arrived T.P. = 160#; C.P. = 0#. Opened well. Flowed small amount of gas and then frac water. Began swabbing. Fluid coming in slowly and very little gas. Swabbed dry by 0845. Let well set for 1 hr.
0945: Fluid level at 800' below surface. Swabbed dry in four runs. A little gas on each run. Let well shut in for another hour.
1130: Fluid level at 1200' below surface. Swabbed dry in 3 runs. A little gas ahead of each run.
1200: Started out of hole with packer. Laid packer down and went back in hole. Landed seating nipple at 1780' and installed slips and pack-off.
1330: Began swabbing. Fluid level at 1600' below surface. Swabbed dry in 2 runs. Waited one hr. and about 200' of fluid plus a little gas.
1530 hrs: Let well open over week end and sent crew home. Estimate about 150 bbl. of frac-fluid recovered to date.

Cost: \$1,400

Cost to Date: 26,660

7-19-82: 0800 hrs: Crew arrived. Well was not flowing. Ran swab. Fluid level at 300' fr. surface. Swabbed dry in 5 runs. Waited $\frac{1}{2}$ hr. and recovered trace of fluid. Est. recovered approximately 15 bbls in frac-fluid. Gas will burn with a 3 ft. flare between runs. No apparent increase in gas volume as a result of the fracture treatment. Will leave well shut-in for a while to determine if there is a pressure build-up.
1300 hrs: Rigged down.
1500 hrs: Rig left location.

Cost: \$1,000

Cost to Date: \$27,660

May attempt to perforate the Dakota as a last resort, if present zone doesn't break thru.

imately 180 bbls. so far).

1800 hrs: Crew arrived. T.P. = 0#; C.P. = 0#. Open well and had no flow. Fluid level at 400' from surface. Swabbed dry in 3 runs. Recovered a little oil and gas on last run. More oil gradually coming in, but very slow.

0845-0945: Let well set for 1 hr. Made another run and recovered about 250 ft. of fluid with some oil and gas.

0945-1045: Let well set for 1 hr. Made another run and recovered about 250 ft. of fluid with some oil and gas.

1045-1145: Let well set for 1 hr. Made another run and recovered 250 ft. of fluid with small amount of oil-less than 5%. Made second run and recovered about 100 ft. of fluid - mostly water. Waited $\frac{1}{2}$ hr. and made run - recovered 150 ft. of fluid - mostly water. Decided to set bridge plug and treat upper zones.

1300: Started out of hole with packer. Picked up drillable cast iron bridge plug and went in hole. Set bridge plug at 1990' and came out of hole.

1500 hrs: Picked up packer and set it at 1780'.

1600 hrs: Began swabbing. Fluid level at 500' from surface. First run had about 4 bbl. of oil and rest (4 bbl) was water. Second run swabbed tubing dry and recovered about 400' of water.

1620-1700: Let well set and made run. Recovered 400 ft. of water with small amount of oil. Second run recovered 150 ft. of water plus some gas.

1730 hrs: Shut well in and sent crew home.

Cost: \$3,300

Cost to Date: 17,410

7-16-82: 0800 hrs: Crew arrived. Dowell here also. T.P. = 50#; C.P. = 0#. Opened valve - small flare of gas for 10 secs. Ran swab - fluid level at 300' below surface. Made 2 runs and swabbed dry. Gas flare on both runs plus water.

0900 hrs: Began frac-treatment. Treated with 340 bbls of ~~X~~linked gelled water and 13,000# of 10-20 sand. Treated four zones in four stages with pad and 15 ball sealers between stages. Stage #1 and #2 pumped in initially at 1400# pressure increasing to 1700# with 2#/gal of 10-20 sand at 7 to 8 bbl/min rate. Third stage pressure went up to 2200# and then decreased to 2000# at the 8 bbl/min rate. Fourth stage the pressure went up to 3600# and increased to 3700# at 7 bbl/min rate. Instant shut-in pressure was 1700# and 15 min. shut-in pressure was 1100#. Finished frac-treatment at 1000 hrs.

1000-1400 hrs: Let well shut-in for gel to break down. T.P. = 900#. Opened well at 1400 hrs and flowed back for 2 hrs. Water stream gradually decreasing to less than 1 inch.

1400-1600: Flowing well - Est. flowed 50 bbl.

1600-1800: Swabbing well - recovered approximately 50 more bbls of frac fluid (100 bbls total). Last few runs began showing gas with frac fluid.

1800 hrs: Shut well in and sent crew home.

Cost: \$7,800

Cost to Date: 25,260

DRILLING HISTORY
OF
HAYS #1-6 WELL

OPERATOR: Megadon Enterprises, Inc.
57 West South Temple, Suite 253, Salt Lake City, Utah 84101

CONTRACTOR: Gushco Drilling, Co.
Grand Junction, Co. 81501

LOCATION: NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 6, T 20S, R 24E, SLM., Grand County, Utah
(660' fr. N-line and 660' fr. E-line)

ELEVATIONS: 4665' Grd; 4673' K.B.

SPUDDED-IN: March 30, 1982

SURFACE CASING: 150' (5 jts) of 7 5/8", 26.00#, K-55 casing landed
at 150' K.B. and cemented w/90 sks of regular cement and
3% CaCl, with returns to the surface.

FINISHED DRILLING: April 3, 1982

TOTAL DEPTH: 2518'

DEEPEST FORMATION: Bottom of Morrison Formation

POTENTIAL PRODUCTION AND PERFORATED ZONES: 2034-46' (Brushy Basin);
1891-95'; 1870-80'; 1846-50'; and 1816-20' (Cedar Mt.).

INITIAL PRODUCTION RATES: TSTM (Zones were fracture treated and
failed to yield commercial amounts of oil or gas).

PLUGGED & ABANDONED: September 10, 1982

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

U-18444

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.)

1. OIL WELL GAS WELL OTHER DRY

2. NAME OF OPERATOR
MEGADON ENTERPRISES, INC.

3. ADDRESS OF OPERATOR
SUITE 253, 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UT

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
NE $\frac{1}{4}$ NE $\frac{1}{4}$ SECTION 6, T 20S, R 24E, SLM.
660' FR. N-LINE AND 660' FR. E-LINE

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, CR, etc.)
84101

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

FEDERAL

9. WELL NO.

HAYS #1-6

10. FIELD AND POOL, OR WILDCAT

WILDCAT

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

NE.NE. SEC. 6-20S-24E.
SLM.

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 COMPLETION <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input checked="" type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input 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 DRILLED TO 2518' WHICH WAS JUST ABOVE THE TOP OF THE ENTRADA FORMATION. CASING, 4 $\frac{1}{2}$ ", 10.50#, WAS SET TO 2370'. A SAND IN THE BRUSHY BASIN SECTION OF THE MORRISON, AND SEVERAL THIN SAND BEDS IN THE CEDAR MT. WERE PERFORATED, ACIDIZED AND FRACTURE TREATED WITHOUT FAVORABLE RESULTS. IT IS THEREFORE PLANNED TO PLUG AND ABANDON WELL AS FOLLOWS:

(SURFACE CASING, 7 5/8", 26.00#, IS SET AT 160' K.B.)

- PLUG #1: 2100'-1800' (300') 30 SKS ACROSS ALL THE PERFORATIONS
- PLUG #2: 1500'-1300' (200') 20 SKS ACROSS TOP OF CUT-OFF CASING (THIS POINT IS UNCERTAIN UNTIL CASING IS PULLED).
- PLUG #3: 175-100' (75') 15 SKS ACROSS BOTTOM OF SURFACE CASING.
- PLUG #4: 10'-0' (10') 5 SKS AT SURFACE WITH WELL MARKER.

LOCATION WILL BE CLEANED, LEVELLED, SEEDED AND REHABILITATED AS SOON AS POSSIBLE AFTER WELL IS PLUGGED.

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

DATE: 9/1/82

RECEIVED
SEP 02 1982

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

SIGNED W. Don Gungler TITLE PRESIDENT DATE SEPT. 1, 1982

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

DIVISION OF
OIL, GAS & MINING

Card

NOTICE OF SPUD

Company: Megadon Enterprises, Inc.

Caller: S/N Rec'd 4-1-82

Phone: _____

Well Number: HAYS #1-6

Location: NENE 6-205-24E

County: GRAND State: UTAH

Lease Number: U-18444

Lease Expiration Date: _____

Unit Name (If Applicable): _____

Date & Time Spudded: 3-30-82 12:30 P.M.

Dry Hole Spudder/Rotary: GUSHCO RIG #3

Details of Spud (Hole, Casing, Cement, etc.) 11" HOLE TO 150'

SET 7 5/8" (150') CSG. - CMT. TO SURFACE -

6 3/4" HOLE TO TD

Rotary Rig Name & Number: _____

Approximate Date Rotary Moves In: _____

FOLLOW WITH SUNDRY NOTICE

~~Call~~ Received By: KR

Date: 4-1-82

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R355.5

5. LEASE DESIGNATION AND SERIAL NO.

U-18444

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

FEDERAL

9. WELL NO.

HAYS #1-6

10. FIELD AND POOL, OR WILDCAT

WILDCAT

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

NE. NE. SEC. 6-20S-24E. SIM.

12. COUNTY OR PARISH

GRAND

13. STATE

UTAH

1a. TYPE OF WELL:

OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION:

NEW WELL WORK OVER DEEP-EN PLOG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR

MEGADON ENTERPRISES, INC.

3. ADDRESS OF OPERATOR

STE. 253, 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UT.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface NE 1/4, NE 1/4, SEC. 6, T 20S, R 24E, SLM.

At top prod. interval reported below 660' FR. N-LINE AND 660' FR. E-LINE

At total depth

14. PERMIT NO.

43019-30939

DATE ISSUED

15. DATE SPUD. ED

3-30-82

16. DATE T.D. REACHED

4-3-82

17. DATE COMPL. (Ready to prod.)

9-10-82

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

4665' GRD; 4673' K.B.

19. ELEV. CASINGHEAD

4666'

20. TOTAL DEPTH, MD & TVD

2518'

21. PLOG, BACK T.D., MD & TVD

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS DRILLED BY

ROTARY TOOLS

0-2518'

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

NONE

Morrison

25. WAS DIRECTIONAL SURVEY MADE

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN

DUAL INDUCTION-SFL, DENSITY-COMP. NEUTRON

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
7 5/8"	26.00#	160'	11"	90 SKS	None
4 1/2"	10.50#	2370'	6 3/4"	150 SKS	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

2034-46'
1891-95'
1870-80' w/2 shs/ft.
1846-50'
1816-20'

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
2034-46'	Acidized 1200 gal 7 1/2% HCl
	250 bbl KCl H2O and 10,000# sand
1816-95'	Acidized 1500 gal 7 1/2% HCl, 340 bbl KCl H2O and 13,000# sand

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
May 3, 1982	SWABBING SMALL AMOUNT OF OIL	Producing					
DATE OF TEST	HOURS TESTED	CHOKE 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.)

TEST WITNESSED BY:
W. DON QUIGLEY

35. LIST OF ATTACHMENTS

DRILLING & 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

W. Don Quigley

TITLE

PRESIDENT

DATE

SEPT. 10, 1982

*(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.

Item 1: 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) 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.
MANCOS	SURFACE	1745'	BLACK MARINE SHALE
DAKOTA	1745'	1815'	SANDS, GREY AND BLACK SHALE
CEDAR MT.	1815'	1898'	GREEN, GRAY, & RED SHALES PLUS THIN SAND BEDS
MORRISON	1898'	2465'	SAND, RED, PURPLE, GREY SHALES AND SILTSTONES
CURTIS-SUM- MERVILLE	2465'	2518' TD	GREEN AND RED SHALES AND SILTSTONES

NAME	MEAS. DEPTH	TRUE VERT. DEPTH



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

DRILLING HISTORY

TO: All Working Interest Owners (Buyers)

FOR: Megadon Hays #1-6 Well
Cisco Area
Grand County, Utan

- 3-8-82: Megadon made application for A Permit To Drill: (1) U.S. Geological Survey; (2) Bureau of Land Management; (3) Utah State Oil & Gas Commission
- 3-24-82: Mr. Don Quigley, President of Megadon Enterprises Inc., met at the proposed well location with the dirt contractor, the representative of the U.S. Geological Survey - Vernal, Utah, and the representative of the Bureau of Land Management - Moab, Utah to inspect the proposed location and resolve any objections and questions by the Government people. All problems were resolved.
- 3-29-82: Application for Permit to Drill was approved. Well location and road to well were completed. Drilling rig was moved on to location and rigged up.
- 3-30-82: Well spudded in at 12:30 PM. and was drilled to 165'. Finished drilling surface hole at 2300 hrs.
- 3-31-82: Ran 5 joints (150') of 7 5/8", 26# casing and landed at 160' K.B. Cemented casing with 90 sks reg. cement with 3% CaCl₂, with returns to surface. Plug down at 0330 hrs. Waited 6 hrs for cement to set and nipples up (hooked) blowout preventer, rotating head, and blewie line. Drilled out cement and plug and pressure tested BOP, casing, fill and kill lines to 1000#. No leaks. Began drilling ahead at 2100 hrs. with 6 3/4" bit using air for circulation. Drilled 165' to 266' (101').
- 4-1-82: Drilled 266' to 1446' (1180'). Drilling in Mancos shale formation at an average drilling rate of 60'/hr. Dusting good. Well cost to date is \$38,100.
- 4-2-82: Drilled 1446' to 2204' (758'). Top of Dakota at 1720'. Had some oil stain and cut in a sand at 1750-65' but was partially wet. Converted to mist-drlg at 1770'. Had a small gas flare on connection at 1810'. Had 15' flare for 30 seconds at 1910'. Probably from sand at 1880-1900'. Est. top of Cedar Mountain at 1820' and top of Morrison at about 1900'. Suspect a little more gas at 2000'. Could have had a thin sand in Brushy Basin. Made a round trip at 1446' to put on button bit. Bit #2 (Varel V1X) made

1281' (165' to 1446') in 25 hrs. Drlg at avg. rate of 51 ft/hr. Mixed mud in pits to 100 viscosity; ready for filling hole when finished drilling. Have 15 ft. flare for 30 secs on every connection. Daily Cost: \$8,750; Total to Date: \$46,850.

4-3-82: Drilled 2204' to 2518' (314'). Estimate top of Salt Wash at 2200'. Had good increase of gas at 2270'. Good 15 ft. flare on every connection. Estimate top of Entrada at 2520' so quit drilling just above top to minimize prolem with water. Finished drilling at 1500 hrs, and began mudding up. Had continuous 15 ft. flare when air was shut off. Pumped in 200 bbl of 100 vis. mud and obtained circulation. Circulated for 1½ hrs to clean hole and came out of hole. Bit #3 (Smith F2 RR) made 1072' (1446' to 2518') in 32 ¾ hrs. Drilled at avg. rate of about 33 ft/hr. Began logging hole at 2200 hrs. Ran Dual-Induction and Gamma-Density-CNL logs. Daily Cost: \$7,500; Cost to Date: \$54,350.

4-4-82: Finished logging at 0230 hrs. Had prints by 0430 hrs. Logs indicated 2 potential sands in the Dakota and Cedar Mt. formations. One at 1774 to 1785' (this sand had a little water when drilled, but just enough to quite dusting); and the other at 1893' to 1895'. The logs indicate favorable sands in the Morrison at 2034' to 2044'; at 2263' to 2274'; and at 2306' to 2312'. Talked to participants and decided to run casing. Est a gas flow of 100 MCF/D without fracture treatment is possible.
0830 hrs: Went back in hole with bit, drill collars, and drill pipe. Circulated for 1 hr and came out of hole laying down. Finished laying down drill pipe and drill collars at 1530 hrs. Waited on casing crew until 1630 hrs. Rigged up casing tongs and began running casing. Finished running casing at 1900 hrs. Ran 59 jts, 4½", 10.50#, R-3 casing (2372") and landed casing at 2370' K.B. Cemented casing with 150 sks RFC cement. Plug down at 2120 hrs. Casing has guide shoe and float collar on bottom with 5 centralizers. Waiting on cement to set.

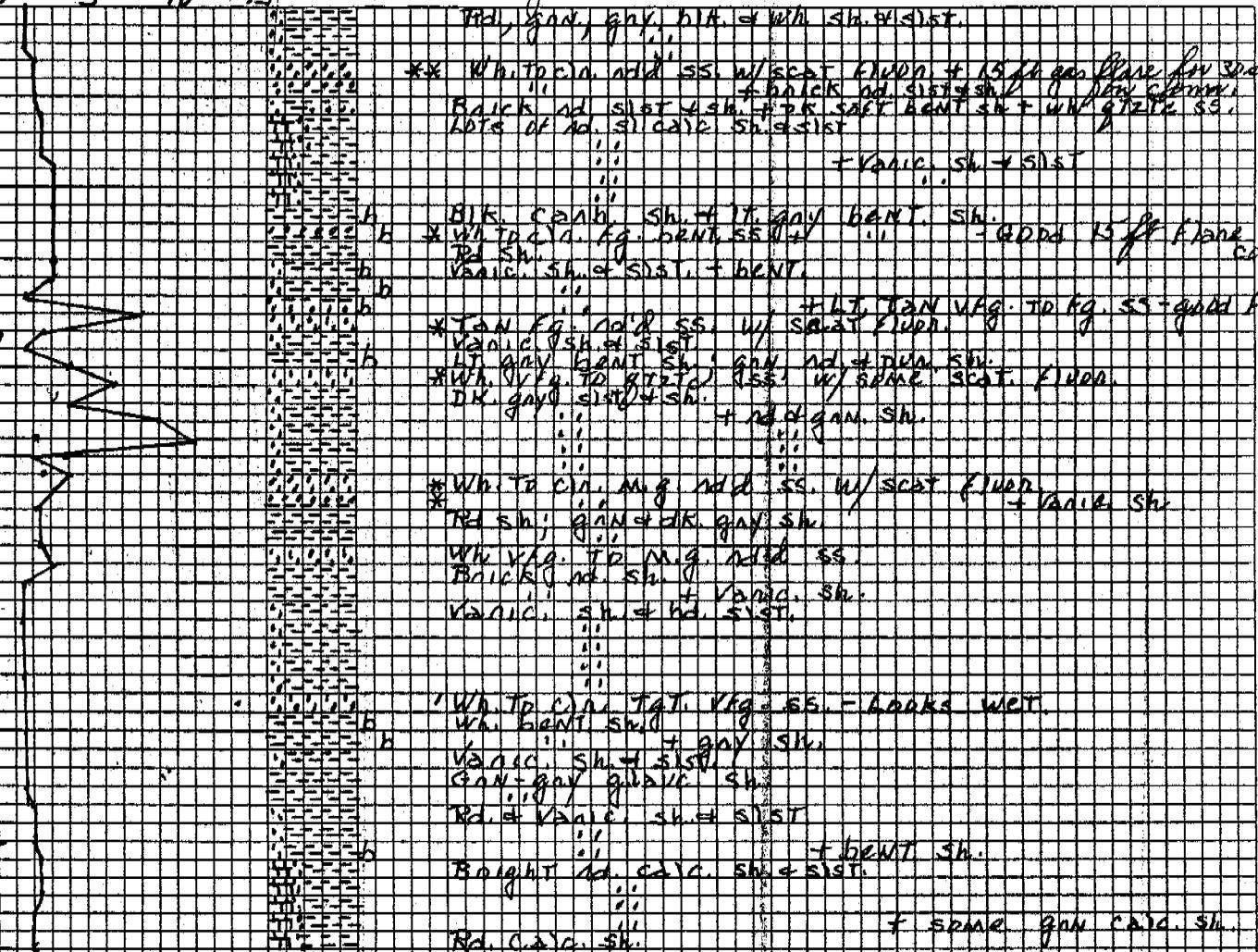
4-5-82: Waiting on cement to set until 0800 hrs. Cemented casing strings together (7 5/8" surface casing to 4½" production casing) and cut off casing. Began rigging down. Released rig at 1000 hrs.

Estimated Drilling Costs:	\$71,232.97
Estimated Completion Costs	
to Date:	<u>19,236.37</u>
Total to Date:	\$90,469.34

Trays # 1-b 60V.

man/hv
5 10 15

2000
2100
JMSW
2200
2300
2400
CU-5
2500
Je



46 0862



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

COMPLETION -DRILLING REPORT HAYS 1-6

- April 29, : Moved in Monument Well Service Rig from Grand Junction and began rigging up. Finished rigging up at 1200 hr. Tbg. (2 3/8", 77 jts. 2397' arrived at 115 hrs. and was unloaded. Welder, Tangreen, arrived at 1230 hrs. and welded on bell nipple on to casing. Installed tbg. head (Barton). Began picking up tubing at 1400 hrs. Put on bit and bit sub and went in hole. Ran 76 jts. and encountered cement at 2333'. Laid one jt. dow, started out at 1530 hrs. Had 37 stds. and one single in hole. Out at 1600 hrs. Sent crew home at 1630 hrs.
- April 30: Crew arrived at 0800 hrs. Welex arrived at 1000 hrs. (Had a flat tire) Rigged up and began running CBL log at 1130 hrs. Finished logging at 1315 hrs. Had good load throughout top of cement at 1500'. Went in hole with tubing with seating nipple on bottom to 1860'. Began swabbing out load water. Swabbed fluid down to 1650'. Finished swabbing at 1500 hrs. Went in with tubing gun and perforated zone 2034-44 (Bushy-Basin on the Morrison formation) with two sh/ft. Finished perforating at 1730 hrs. Rigged up to swab, make three runs and recovered 150' of load water each time. Shut well in at 1800 hrs. and sent crew home.
- May 1: Crew arrived at 0800 hrs. Tbg. pressure at 0# Casing pressure at 0# Made one swab run; Recovered small amount load water = 15'. Obviously we are not communicating with formation. Called Western Co. for 7½% HCL acid to break down formation. Lowered tubing to 1950'. Western arrived at 1330 hrs. Began acid treatment at 1400 hrs. Loaded casing with 21 bbls. KCL water and began pumping acid. Pumped in 29 bbls. (1200 gal.) of 7½% MCA acid at 3-3½ bbls/min. Formation broke down at 2200# and pumped in at 1200#. Dropped 20 ball sealers and pressure gradually increased to 2000# by end of treatment. Instant shut-in pressure = 600#. Left well shut-in for 15 minutes and opened valves. Well flowed for 5 min. Made one swab run and well flowed again. Total fluid in treatment = 60 bbls. Swabbed back about 30 bbls spent acid water by 1800 hrs. Shut well in and sent crew home. Well is making some gas with trace of brown oil on each swab run. Cost to date =\$22,110.00



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DRILLING REPORT HAYS 1-6

May 3:

Crew arrived at 0800 hrs. Tubing pressure, 20 lbs. Casing pressure 0 lbs. Had gas at surface. Fluid level 1300 ft. 1st swab run at $\frac{1}{2}$ barrel, oil on top of acid water. Gas flared throughout run. The following runs recovering about a barrel of acid water each time plus some oil on top. Swabbed down 10 runs, last run around 50% of oil. Waited 15 minutes, made another run. Recovered small amount gas and oil. Welex arrived at 0930 hrs. Came out of hole with tubing, filled hole with water to 1500 ft. Perforated zones 1891-95, 1870-80, 1846-50, 1816-20 with two shots per ft. with casing gun. All zones in Cedar Mountain formation. Finished perforating at 1145 hrs. Went in hole to 1800 ft. with tubing. Swabbed dry in 12 runs. Recovered load water plus some gas and oil. All runs contain some oil. Dropped tubing down to 2050 ft. and swabbed out fluid, acid water plus oil. Swabbed dry in six runs, let set for 1 hr. Made another run 1700 hrs. Recovered no fluid or gas. Shut well in, sent crew home.

May 4:

Crew arrived at 0800 hrs. Tubing pressure 0#, casing pressure 20#. Ran swab found fluid level 200 ft. above seating nipple. First run has gas with some oil and acid water. Made five runs and swabbed dry each run. Recovered small amount of gas in oil TSTM. Came out of hole with tubing, went back in hole with packer and retrievable bridge plug. Set bridge plug at 1936 ft. and packer at 1857 ft. Acidized zones 1870-80 ft. and 1891-95 ft. with 1000 gal. 7 $\frac{1}{2}$ % HCL-MCA acid. Broke down at 2900 # and pumped in at 1200# at 3 $\frac{1}{2}$ bbls. per min. Dropped 28 ball sealers and had good breaks. Instant shut-in = 0# let shut-in for 15 min. and began swabbing back. Recovered some acid water with considerable brown oil. Made six runs and then rest bridge plug and packer at 1860 ft. and 1785 ft. respectively. Acidized 1816-20 ft., 1846-50 ft. with 750 gals. acid (7 $\frac{1}{2}$ % HCL). Broke down at 1400 # and pumped in at 12-1800 # at 4 $\frac{1}{2}$ bbls. per min. Dropped 16 ball sealers and had good ball action. Instant shut-in pressure = 950#. Let shut-in for 15 min. Finished treatment at 1400 hrs. Pulled packer and bridge plug and came out of hole. Went back in hole with tubing and landed seating nipple at 1800 ft. Began swabbing at 1530 hrs. Swabbing load water, acid water and oil. Swabbed down in 1 $\frac{1}{2}$ hrs. and then pulled 50 ft. of fluid each run for last hr. to 1800 hrs. Each run had 90% acid water and 10% oil plus small amount of gas. Shut well in and sent crew home.



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- May 5: Crew arrived at 0800 hrs. Tubing pressure = 25#, Casing pressure = 50#. Gas at surface; fluid level at 1200' from surface; 600' of fluid in tubing. First swab run recovered some oil (small amount - ½ bbl.) on top of spent acid water. Had 10' gas flare ahead of each run. Swabbed dry on 28th run but well still making gas on each run. Waited 30 minutes and began swabbing. Had 120' of acid water plus trace of oil and gas. Gas seems to be increasing - 15' flare on runs. Swabbed dry in 6 runs, waited 30 min. and ran swab - 200' of acid water plus gas; gas increasing. Swabbed dry in 4 runs; swabbed dry every hr., takes 4 to 6 runs. Well trying to kick-off, more gas all the time. Still getting out acid water with some oil. Shut well in and sent crew home at 1800 hrs.
- May 6: Crew arrived at 0800 hrs. Tbg. pressure = 80#; Casing pressure = 80#. Fluid level at 1500' below top (300' fluid). Opened well - gas flared immediately - 30' flare for 5 min and then decreased and died. First run recovered ½ bbl oil, 1 bbl acid water. Gas flare on each run. Swabbed down in 12 runs. Continued swabbing pulling 30' to 100' fluid each time (¼ to ½ bbl fluid - trace of oil). Well kicked off and flowed gas on 22nd run. Flowed for 5 min. and died. Continued swabbing recovering about 80 to 120' fluid each run with gas. Well kicked off again on 30th run. Flowed gas for 10 min. Continued swabbing, pulling about 80' of fluid (water and trace of oil), plus gas each run. Well kicked off again on 40th run and flowed gas, 10 ft. flare for 5 min. and decreasing to 2' flare for 20 min. Kicked off again on 44th run. Each run making about 30 to 50' fluid (10% oil and 90% salt water). Continued swabbing. Well making small amount of water (approx. 1 bbl/hr. which is 10% oil). Gas volume is increasing slowly. Shut well in and sent crew home at 1800 hrs. Cost to date \$35,500.
- May 7: Crew arrived at 0800 hrs. Tubing pressure = 100#; Casing pressure = 100#. Fluid level at 1500'; 300' of fluid in tubing. Recovered ½ bbl of oil plus brackish salt water on first swab run. Swabbed well down in 22 runs, well would kick off and flow periodically for 15-20 min., gas burning with 15' flare. Well still not flowing. Consequently, quit swabbing at 1200 hrs and began rigging down. Decided to shut well in for a few days for it to build up pressure hoping it would kick off by itself. If not, we may be forced to treat some of the zones with a mini frac. Cost to date: \$37,250.

Completion History

Hays #1-6 Well

7-17-82: 0800 hrs: Crew arrived T.P. = 160#; C.P. = 0#. Opened well. Flowed small amount of gas and then frac water. Began swabbing. Fluid coming in slowly and very little gas. Swabbed dry by 0845. Let well set for 1 hr.
0945: Fluid level at 800' below surface. Swabbed dry in four runs. A little gas on each run. Let well shut in for another hour.
1130: Fluid level at 1200' below surface. Swabbed dry in 3 runs. A little gas ahead of each run.
1200: Started out of hole with packer. Laid packer down and went back in hole. Landed seating nipple at 1780' and installed slips and pack-off.
1330: Began swabbing. Fluid level at 1600' below surface. Swabbed dry in 2 runs. Waited one hr. and about 200' of fluid plus a little gas.
1530 hrs: Let well open over week end and sent crew home. Estimate about 150 bbl. of frac-fluid recovered to date.

Cost: \$1,400

Cost to Date: 26,660

7-19-82: 0800 hrs: Crew arrived. Well was not flowing. Ran swab. Fluid level at 300' fr. surface. Swabbed dry in 5 runs. Waited ½ hr. and recovered trace of fluid. Est. recovered approximately 15 bbls in frac-fluid. Gas will burn with a 3 ft. flare between runs. No apparent increase in gas volume as a result of the fracture treatment. Will leave well shut-in for a while to determine if there is a pressure build-up.
1300 hrs: Rigged down.
1500 hrs: Rig left location.

Cost: \$1,000

Cost to Date: \$27,660

May attempt to perforate the Dakota as a last resort, if present zone doesn't break thru.

9-1-82: No build-up in pressure or gas so decided to plug and abandon well as follows:

- PLUG #1: 2100'-1800' (300') 30 sks across all the perforations
- PLUG #2: 1500'-1300' (200') 20 sks across top of cut-off casing (this point is uncertain until casing is pulled).
- PLUG #3: 175'-100' (75') 15 sks across bottom of surface casing.
- PLUG #4: 10'-0' (10') 5 sks at surface with well marker.

Location will be cleaned, levelled, seeded and rehabilitated as soon as possible after well is plugged.



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57 West South Temple • Salt Lake City, Utah 84101 • (801) 359-3575

COMPLETION HISTORY

ON

HAYS #1-6 WELL

- 7-12-82: 0830: Monument Well Service Rig #7 arrived and began rigging up. Finished rigging up at 1100 hrs.
1115: Rigged up swab; made 2 runs. Fluid level at 500 ft. below surface. First run had about $\frac{1}{2}$ bbl oil on top. Second run had some oil but was mostly saline water.
1200: Started out of hole with tubing. Picked up packer (Mountain States Oil Tool) and went in hole. Set packer at 1995' K.B. (32 stds of tubing in hole). Began swabbing. Made 2 runs. Fluid level at 500' below surface. First run recovered about 4 bbl of black oil and very little water. Second run recovered 150' ($\frac{1}{2}$ bbl) of oil. Swabbed dry on second run. Waited 45 min. and made another run. Recovered 50' of black oil. Waited 1 hr. and made another run. Recovered 30' of oil - no water. Decided to give zone a small fracture treatment in the morning.
1700: Shut well in and sent crew home.
Cost: \$3,650
- 7-13-82: 0800: Crew arrived. Casing Pressure = 0#; Tubing Pressure = 0#. Ran swab. Fluid level at 150 ft. from bottom. Had 150 ft. of fluid (50% oil) on first run. Second run recovered gas and about 5 gal. of oil.
0830-0915: Waiting for Dowell.
0915-1130: Rigging up to frac. Mixing gel.
1130-1230: Fractured treated well with 250 bbl. of gelled H₂O and 5000# of 20-40 mesh sand and 5000# of 10-20 mesh sand. Zone broke down at 3000# at .5 bbl/min rate and continued to break down to 1700# at 8 bbl/min rate with 2#/gal. of sand. Instant shut-in pressure was 700#; 15 min. shut-in was 700#.
1230-1500: Left well shut-in. Gel breakdown period is 1 hr.
1515-1815: Let well flow back. Well flowed a steady stream of frac-fluid thru-out the 3 hr. period. Flow rate gradually decreased to a 1" steady stream at the end of the 3-hr. period. No oil in frac-fluid yet. Est. recovered about 150 bbl of frac-fluid so far.
1800: Sent crew home.
1815: Shut well in for the night.
Cost: \$9,050
Cost to Date: 12,700
- 7-14-82: 0800: Crew arrived. T.P. = 300#; C.P. = 0#. Opened well and began flowing $1\frac{1}{2}$ " stream of frac-fluid, no oil yet. Well quit flowing at 1000 hrs, so began swabbing. Swabbed well dry by 1430 hrs. Waited 1 hr. and recovered about 500 ft. of fluid. Thin film of oil showing up on last few runs. Recovered about 30 bbls. more fluid today. (Approx-

imately 180 bbls. so far).

1800 hrs: Crew arrived. T.P. = 0#; C.P. = 0#. Open well and had no flow. Fluid level at 400' from surface. Swabbed dry in 3 runs. Recovered a little oil and gas on last run. More oil gradually coming in, but very slow.

0845-0945: Let well set for 1 hr. Made another run and recovered about 250 ft. of fluid with some oil and gas.

0945-1045: Let well set for 1 hr. Made another run and recovered about 250 ft. of fluid with some oil and gas.

1045-1145: Let well set for 1 hr. Made another run and recovered 250 ft. of fluid with small amount of oil-less than 5%. Made second run and recovered about 100 ft. of fluid - mostly water. Waited ½ hr. and made run - recovered 150 ft. of fluid - mostly water. Decided to set bridge plug and treat upper zones.

1300: Started out of hole with packer. Picked up drillable cast iron bridge plug and went in hole. Set bridge plug at 1990' and came out of hole.

1500 hrs: Picked up packer and set it at 1780'.

1600 hrs: Began swabbing. Fluid level at 500' from surface. First run had about 4 bbl. of oil and rest (4 bbl) was water. Second run swabbed tubing dry and recovered about 400' of water.

1620-1700: Let well set and made run. Recovered 400 ft. of water with small amount of oil. Second run recovered 150 ft. of water plus some gas.

1730 hrs: Shut well in and sent crew home.

Cost: \$3,300

Cost to Date: 17,410

7-16-82: 0800 hrs: Crew arrived. Dowell here also. T.P. = 50#; C.P. = 0#. Opened valve - small flare of gas for 10 secs. Ran swab - fluid level at 300' below surface. Made 2 runs and swabbed dry. Gas flare on both runs plus water.

0900 hrs: Began frac-treatment. Treated with 340 bbls of X-linked gelled water and 13,000# of 10-20 sand. Treated four zones in four stages with pad and 15 ball sealers between stages. Stage #1 and #2 pumped in initially at 1400# pressure increasing to 1700# with 2#/gal of 10-20 sand at 7 to 8 bbl/min rate. Third stage pressure went up to 2200# and then decreased to 2000# at the 8 bbl/min rate. Fourth stage the pressure went up to 3600# and increased to 3700# at 7 bbl/min rate. Instant shut-in pressure was 1700# and 15 min shut-in pressure was 1100#. Finished frac-treatment at 1000 hrs.

1000-1400 hrs: Let well shut-in for gel to break down. T.P. = 900#. Opened well at 1400 hrs and flowed back for 2 hrs. Water stream gradually decreasing to less than 1 inch.

1400-1600: Flowing well - Est. flowed 50 bbl.

1600-1800: Swabbing well - recovered approximately 50 more bbls of frac fluid (100 bbls total). Last few runs began showing gas with frac fluid.

1800 hrs: Shut well in and sent crew home.

Cost: \$7,800

Cost to Date: 25,260

RIPPY, INC.

P. O. Box 66
Grand Junction, CO 81502
Phone (303) 243-4591

Date 9/20/82

CEMENTING AFFIDAVIT PULLING & PLUGGING REPORT

Company Megalon Energy Corp.
Lease Megalon Hays Well No. 1-6
Section 6 Township 20S Range 24E Unit _____ County Grand Utah
530 Ft. of 4 1/2" Casing Recovered
_____ Ft. of _____ Casing Recovered

PLUGS SET

1. 30 Sax Cement Set At 2100 Ft. To 1800 Ft.
2. 20 Sax Cement Set At in Ft. ~~to~~ out of casing
3. 20 Sax Cement Set At 160' Ft. in ~~to~~ out of surface casing
4. 10 Sax Cement Set At surface Ft. To _____ Ft.
5. _____ Sax Cement Set At _____ Ft. To _____ Ft.
6. _____ Sax Cement Set At _____ Ft. To _____ Ft.
7. _____ Sax Cement Set At _____ Ft. To _____ Ft.
8. _____ Sax Cement Set At _____ Ft. To _____ Ft.

Other mud was circulated between plugs
& regulation marker created.

RIPPY, INC.

Signed

W.J. Rippy Jr.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

U-18444

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.)

1. OIL WELL GAS WELL OTHER DRY

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR
MEGADON ENETERPRISES, INC.

8. FARM OR LEASE NAME

FEDERAL

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

9. WELL NO.

HAYS #1-6

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

WILDCAT

NE 1/4 NE 1/4 SEC. 6, T 20S, R 24E, SLM.
660' FR. N-LINE AND 660' FR. E-LINE

11. SEC. T. R. S. M., OR BLK. AND SURVEY OR AREA

NE.NE. SEC. 6-20S-24E SLM.

14. PERMIT NO.

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

4665' GRD; 4673' 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 COMPLETS

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON*

SHOOTING OR ACIDIZING

ABANDONMENT*

REPAIR WELL

CHANGE PLANS

(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 HAS BEEN ABANDONED AS FOLLOWS:

1. THE 4 1/2", 10.50# CASING WAS CUT OFF AT 530' AND PULLED.
2. PLUG #1: (30 sk cement) PLACED AT 2100' TO 1800' (300') ACROSS ALL PERFORATIONS.
3. PLUG #2: (20 sk cement) PLACED AT 600' TO 400' (200') ACROSS TOP OF CUT-OFF CASING.
4. PLUG #3: (20 sk cement) PLACED AT 170' (K.B.) TO 100', ACROSS BOTTOM OF SURFACE CASING.
5. PLUG #4: (10 sks cement) PLACED AT TOP OF SURFACE CASING WITH WELL MARKER.

LOCATION WILL BE REHABILITATED AND SEEDED AS REQUIRED.

RECEIVED
OCT 29 1982

DIVISION OF
OIL, GAS & MINING

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

SIGNED

[Signature]

TITLE

PRESIDENT

DATE

10-28-82

(This space for Federal or State Office Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Form 1001
(Rev. 10-63)
W. H. G.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1424.

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 type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		6. LEASE DESIGNATION AND SERIAL NO. U-18444
2. NAME OF OPERATOR MEGADON ENERGY CORPORATION		7. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH 84101		8. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface NE 1/4 NE 1/4 SECTION 6, T 20S, R 24E, SLM. 660' FR. N-LINE AND 660' FR. E-LINE		9. FARM OR LEASE NAME FEDERAL
14. PERMIT NO.	15. ELEVATIONS (Show whether DR, RT, CR, etc.)	10. WELL NO. HAYS #1-6
		11. FIELD AND POOL, OR WILDCAT WILDCAT
		12. SEC. T., R., M., OR BLK. AND SURVEY OR AREA NE. NE. SEC. 6-20S-24E. SLM.
		13. COUNTY OR PARISH GRAND
		14. 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>REHABILITATION</u> <input checked="" type="checkbox"/>	

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

17. DESCRIBE PROMISED 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.)

WELL SITE HAS BEEN REHABILITATED AND SEEDDED. ACCESS ROAD HAS BEEN TAKEN CARE OF PER INSTRUCTIONS FROM BLM OFFICE, MOAB, UTAH.

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

SIGNED *W. H. G.* TITLE PRESIDENT DATE 3-2-83

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

1983

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

U-18444

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.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
MEGADON ENERGY CORPORATION

3. ADDRESS OF OPERATOR
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

NE 1/4 NE 1/4 SECTION 6, T 20S, R 24E, SLM.
660' FR. N-LINE AND 660' FR. E-LINE

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

FEDERAL

9. WELL NO.

HAYS #1-6

10. FIELD AND POOL, OR WILDCAT

WILDCAT

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

NE, NE, SEC. 6-20S-24E.
SLM.

14. PERMIT NO.

15. ELEVATIONS (Show whether BT, RT, 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) REHABILITATION

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

17. DESCRIBE FINISHED 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.)*

WELL SITE HAS BEEN REHABILITATED AND SEEDED. ACCESS ROAD HAS BEEN TAKEN CARE OF PER INSTRUCTIONS FROM BLM OFFICE, MOAB, UTAH.

MAR 04 1983

DIVISION OF

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

SIGNED

H. Now Singley

TITLE

PRESIDENT

DATE

3-2-83

(This space for Federal or State Office Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY: