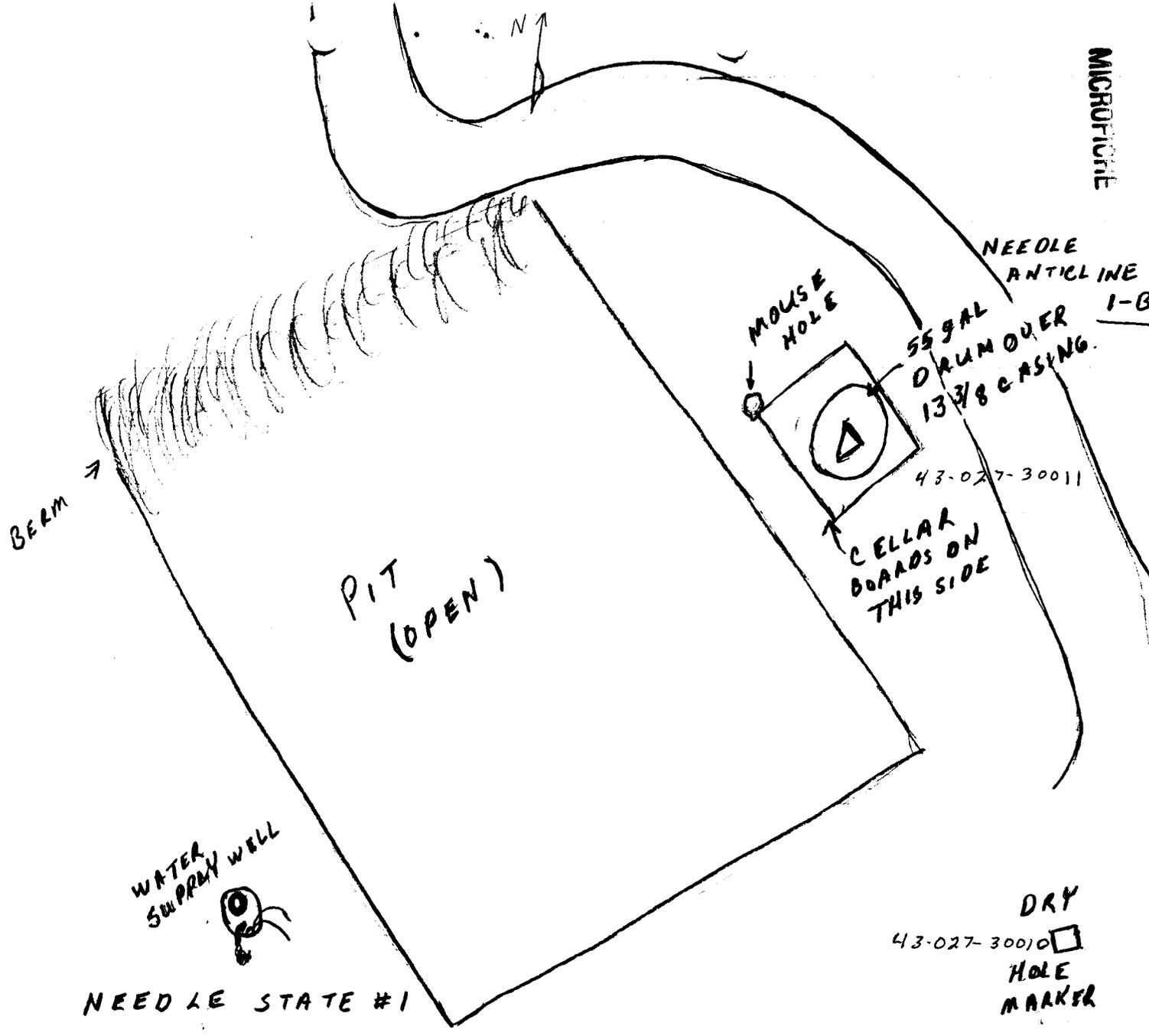


WELL: Needle Anticline 1-B
API: 43-027-30011
LOCATION: SENW 16, T24S, R19W (1980 FNL 2030 FWL)
OPERATOR: Commodore Resources (?)

Permitted January 13, 1976 to Needle Exploration Company. October 2, 1976 sundry shows well drilled to 2407'; waiting on drilling rig. Assignment of Lease form dated 4-6-82 shows assignment to Commodore Resources Corp of SLC (form was approved by State Lands 4-12-82). DOGM letter dated 6-22-82 to Commodore demands that status reports, a proper designation of operator, a transfer of interest, and a new bond be submitted. DOGM letter to Commodore dated 11-18-82 states, "This office is receiving reports on the above well from your company. We have not received any information stating that your company is now operator of this well...We have no information on the drilling of this well since August 1982." Letter to DOGM from Thomas Wolter & Associates dated 4-11-83 states, "Commodore Resources asked me to contact you regarding the plugging and abandonment of the above captioned well. This well was drilled several years ago and the records are sketchy. Would you please review the state well files and make a recommendation as to how commodore resources should properly plug and abandon the well." DOGM letter dated 5-3-83 to Thomas Wolter outlined PxA procedures. Letter to DOGM from Thomas Wolter & Associates dated 2-3-84 states, "...in April 1983, Commodore Resources was a client of mine. They asked me to find the status of the well...Commodore Resources has since filed for bankruptcy. I have been unable to determine if they are the operator of this well or whether someone else is. I don't believe that they drilled the well." Commodore sundry dated 8-9-85 shows proposed PxA procedure. DOGM letter to Commodore dated 11-17-86 states, "As a followup to a recent conversation between yourself and Mr. William Moore, of the DOGM, I am sending you a copy of the notice of intent to abandon the subject well. The procedure was mutually agreed upon by a representative of your company and this Division. As of this date, the well remains unplugged and unmarked and the site unreclaimed. Because of the substantial length of time that the well has remained in its current state, it is a serious concern to the Division. Please contact this office immediately concerning your intent regarding the subject well." No further correspondence in file. Inspection performed 9-11-86 stated that a barrel top covers the well bore; very deep well; site trashy; open reserve pit; no rehab yet.

MICROPHONE



BEAM →

PIT (OPEN)

MOUSE HOLE

55 GAL DRUM OVER 1 3/8 CASING

43-027-30011

CELLAR BOARDS ON THIS SIDE

WATER SUPPLY WELL



NEEDLE STATE #1

43-027-30009

DRY

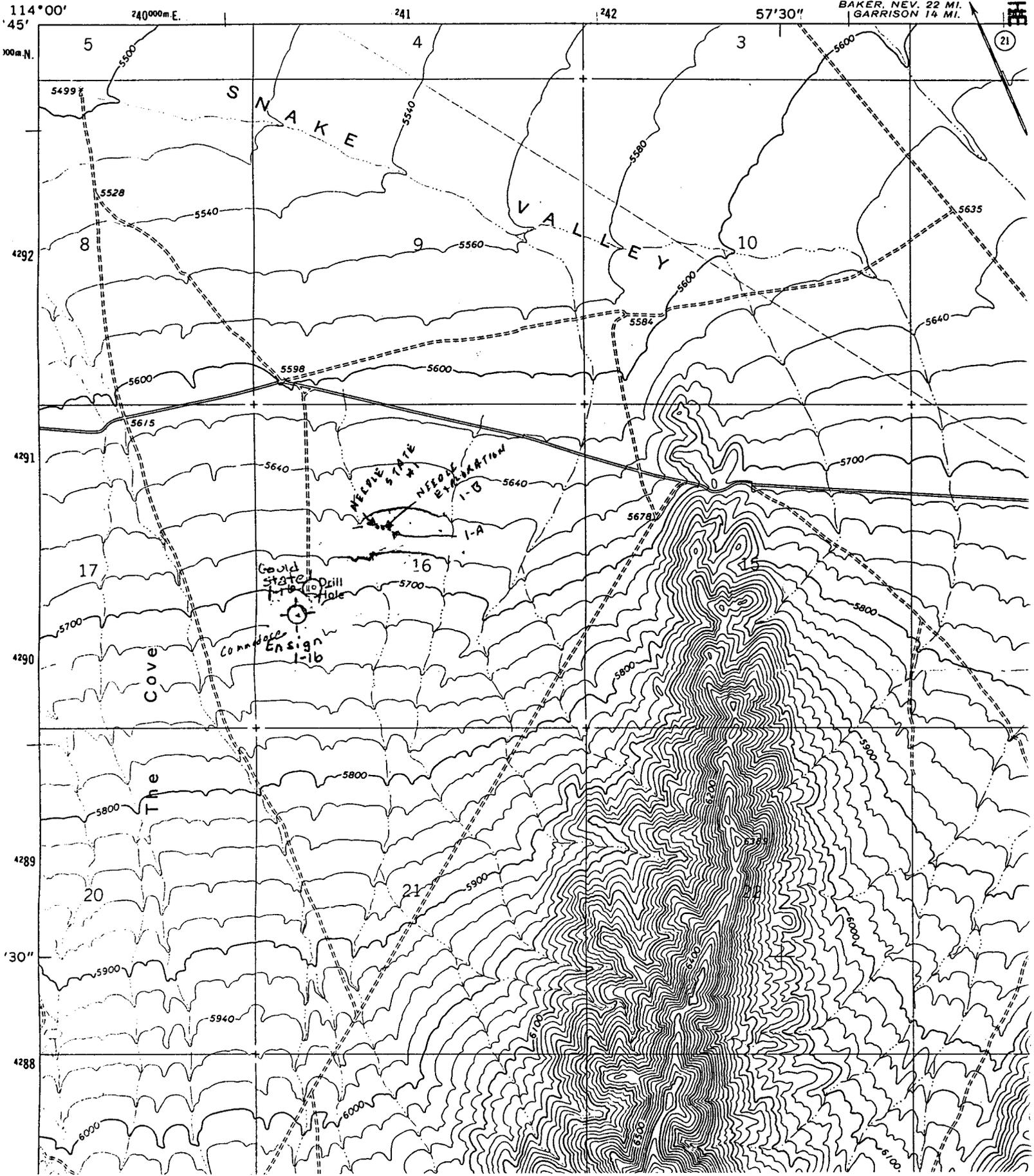
43-027-30010 □

HOLE MARKER

FEDERAL ANTICLINE #1A

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MICROFILMED



516 R24 S R19W

Hintze L.F. Prelim geol map of Burbank Hills
N Needle Range

into Joana Ls Miss
on Pilot State Dew

Penn	-	3600'
Miss	-	2150'
Dew	-	1900'
Ord	-	1300'
		<hr/>
		8950'

Scheme -

The surface formation is the
Chairman Fm. - Pennsylvanian age.
Rock thickness to the bottom of
the Ordovician series is estimated
at 8950' just north of the drill
site. It seems most likely that
he is trying to penetrate the
Pilot State.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL & GAS

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
 DRILL DEEPEN PLUG BACK

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

2. Name of Operator
 NEEDLE EXPLORATION COMPANY, INC.

3. Address of Operator
 P.O. BOX 143 ELK NEVADA 89301

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
 At surface: 150' EAST OF NEEDLE ANTICLINE, NO. 1
 At proposed prod. zone: (SEE ATTACHED PLAT)

5. Lease Designation and Serial No.
 29648

6. If Indian, Allottee or Tribe Name
 NO

7. Unit Agreement Name
 NO

8. Farm or Lease Name
 NO

9. Well No.
 NEEDLE ANTICLINE #1-B

10. Field and Pool, or Wildcat
 WILDCAT

11. Sec., T., R., M., or Blk. and Survey or Area
 SEC 16 T24S R19W SLM

12. County or Parrish 13. State
 MILLARD UTAH

14. Distance in miles and direction from nearest town or post office*
 17 MILES SOUTH OF GARRISON, UTAH

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)
 1980'

16. No. of acres in lease
 640

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.
 150'

19. Proposed depth
 10,000'

20. Rotary or cable tools
 ROTARY

21. Elevations (Show whether DF, RT, GR, etc.)
 5600 GR.

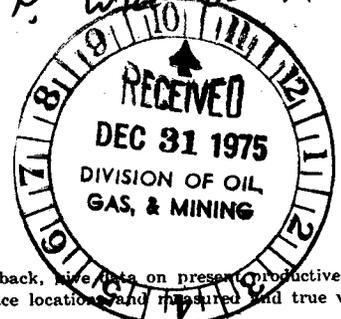
22. Approx. date work will start*
 JANUARY 1, 1975

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
17	13 3/8	48 #/FT	150'	TO SURFACE
12 1/4	9 5/8	32.3 #/FT	1500'	500 SB.

0-1500' - DRILL 12 1/4" HOLE AND SET 9 5/8" CASING AT APPROX. 1500' OR, INTO THE CHAINMAN FORMATION, WITH THE NATIONAL T-10 RIG ON LOCATION.

1500'-10,000' - DRILL 8 3/4" HOLE TO T.D. USING A GEL/WATER DRILLING FLUID. A B.O.P. WILL BE IN USE BELOW 1500'.



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 location and measured and true vertical depths. Give blowout preventer program, if any.

24. Signed: Fanny A. Newman Title: PRESIDENT Date: 29 DEC. 1975

(This space for Federal or State office use)

Permit No. 13-027-30011 Approval Date _____

Approved by _____ Title _____ Date _____

Conditions of approval, if any: _____

T.24 S., R.19 W., S.L.B.& M.

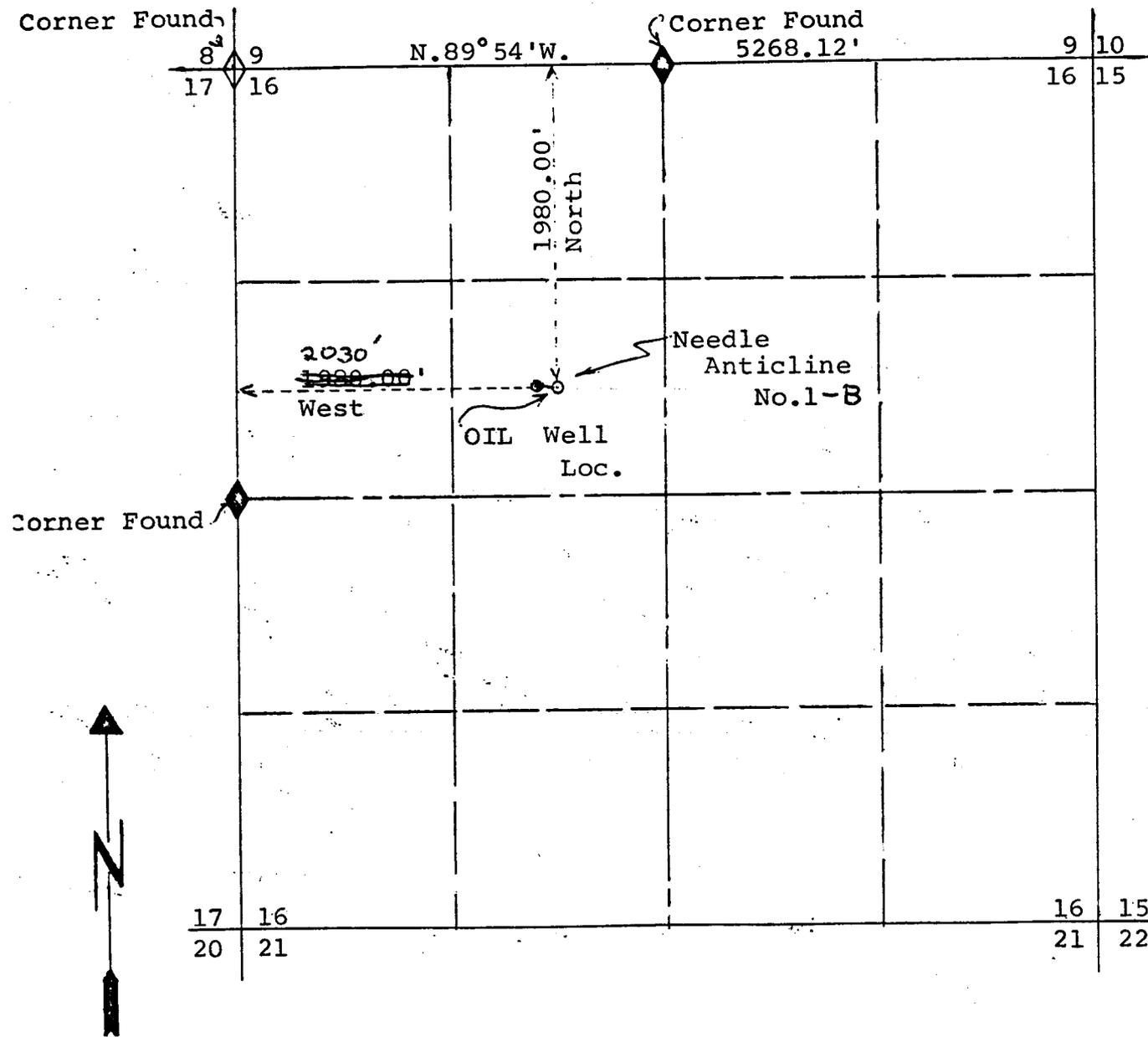
CERTIFICATION

I, Richard W. Forman, do hereby certify that this plat is a true and accurate map of the survey made under my supervision and direction between the 7th and 8th day of October, 1974.

Richard W. Forman

Richard W. Forman
Licensed Land Surveyor
Nevada No.2898

Map Showing
NEEDLE EXPLORATION COMPANY
Oil Well Location
Needle Anticline No. 1
Millard County Utah
Scale 1" = 1000'



DIVISION OF OIL, GAS, AND MINING

FILE NOTATIONS

Date: Jan. 12 1976

Operator: Needle Exploration Co.

Well No: Needle Anticline #1-B

Location: Sec. 16 T. 24s R. 19w County: Millard

Document

File Prepared Entered on N.I.D.

Card Indexed Completion Sheet

Checked By:

Administrative Assistant: [Signature]

Remarks:

Petroleum Engineer/Mined Land Coordinator: O.K. [Signature]

Remarks:

Director: [Signature]

Remarks:

Necessary forms on needles 1-A have been received. Copy Rolled

Include Within Approval Letter:

Bond Required Survey Plat Required

Order No. Blowout Prevention Equipment

Rule C-3(c) Topographical exception/company owns or controls acreage within a 660' radius of proposed site

O.K. Rule C-3 O.K. In _____ Unit

Other:

Letter Written

January 13, 1976

Needle Exploration Company
P.O. Box 143
Ely, Nevada 89301

Re: Well No. Needle Anticline 1-B
Sec. 16, T. 24 S, R. 19 W,
Millard County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to well is hereby granted in accordance with the General Rules and Regulations and Rules of Practice and Procedure.

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

PATRICK L. DRISCOLL - Chief Petroleum Engineer
HOME: 582-7247
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.

The API number assigned to this well is 43-027-30010.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

CLEON B. FEIGHT
DIRECTOR

CBF:sw

CIRCULATE TO:

DIRECTOR
PETROLEUM ENGINEER
MINE COORDINATOR
ADMINISTRATIVE ASSISTANT
ALL

RETURN TO *J. Carter*
FOR FILING

February 9, 1976

MEMO FOR FILING

Re: Needles Exploration Company
Needle Anticline
Sec. 16, T. 24 S., R. 19 W.
Millard County, Utah

An inspection of the rotary rig drilling the Needles Exploration State 1-B was made by Mr. Daniels and Mr. Carter of the Division Staff on February 4, 1976.

At the time of the visit, the rig was drilling ahead at 921'. There were several major safety violations noted, and as it would be two to three weeks before a trip could be scheduled to this area, it was deemed advisable to notify the Industrial Commission immediately. This was done by telephone on February 6, 1976. The Industrial Commission promised to have a safety inspector make a visit to this rig as soon as possible.

The name of the drilling contractor operating the rig is unknown.

PATRICK L. DRISCOLL
CHIEF PETROLEUM ENGINEER

PLD:tb

cc: U. S. GEOLOGICAL SURVEY

STATE OF UTAH
 DIVISION OF OIL, GAS AND MINING
 OIL AND GAS INSPECTION RECORD

290

OPERATOR COMMODORE RESOURCES LEASE ML-29648
 WELL NO. #1-B API 43-027-30011
 SEC. 16 T. 2&S R. 19W CONTRACTOR _____
 COUNTY Millard FIELD Wildcat

DRILLING/COMPLETION/WORKOVER:

APD WELL SIGN HOUSEKEEPING BOPE
 SAFETY POLL. CONTROL SURFACE USE PITS
 OPERATIONS OTHER

SHUT-IN / TA : OPERATIONS SUSPENDED
 WELL SIGN HOUSEKEEPING EQUIPMENT* SAFETY
 OTHER

ABANDONED:

MARKER HOUSEKEEPING REHAB. OTHER

PRODUCTION:

WELL SIGN HOUSEKEEPING EQUIPMENT* FACILITIES*
 METERING* POLL. CONTROL PITS DISPOSAL
 SECURITY SAFETY OTHER

GAS DISPOSITION:

VENTED/FLARED SOLD LEASE USE

LEGEND: Y - YES OR SATISFACTORY
 N - NO OR UNSATISFACTORY
 NA - NOT APPLICABLE

*FACILITIES INSPECTED: Well is not plugged
A barrel covers the wellbore
Pit was still open

REMARKS: On-site inspection with Mr. Freund (Consultant with Commodore Resources),
Carl Dearden (Local Rancher), and John Baza(DOGM)

ACTION: Commodore is to discuss action concerning the well with DOGM in a few weeks.

INSPECTOR: Dorothy Swindel & John Baza DATE 5/15/85

STATE OF UTAH
 DIVISION OF OIL, GAS AND MINING
 OIL AND GAS INSPECTION RECORD

OPERATOR Commodore Resources LEASE M 1-29648
 WELL NO. 1-B API 42-029-30011
 SEC. 16 T. 24S R. 19W CONTRACTOR _____
 COUNTY Millard FIELD WC

DRILLING/COMPLETION/WORKOVER:

APD WELL SIGN HOUSEKEEPING BOPE
 SAFETY POLL. CONTROL SURFACE USE PITS
 OPERATIONS OTHER

SHUT-IN TA _____ :

WELL SIGN HOUSEKEEPING EQUIPMENT* SAFETY
 OTHER

ABANDONED:

MARKER HOUSEKEEPING REHAB. OTHER

PRODUCTION:

WELL SIGN HOUSEKEEPING EQUIPMENT* FACILITIES*
 METERING* POLL. CONTROL PITS DISPOSAL
 SECURITY SAFETY OTHER

GAS DISPOSITION:

VENTED/FLARED SOLD LEASE USE

LEGEND: Y - YES OR SATISFACTORY
 N - NO OR UNSATISFACTORY
 NA - NOT APPLICABLE

*FACILITIES INSPECTED: _____

REMARKS: At bottom of sump a barrel top covers the well bore,
very deep well to water surface, site trashy, open reserve pit
no rehab yet.

Dist. 32-36

ACTION: _____

INSPECTOR: W^{hs} Moore DATE 9-11-86

INSPECTOR: MH INSP DATE: 910227 COMMENTS :
REVIEWED : NEXT INSP: 920627 REASON: 13 : STOP WORK

OPERATOR : M9750 : COMMODORE RESOURCES CORP LEASE: 9117000
WELL NAME: NEEDLE ANTICLINE 1-B API : 43-027-0001
S: 16 T: 24.0 S R: 19.0 W CONTRACTOR :
COUNTY : MILLARD FIELD: OOL : WELDEA

DRILLING/COMPLETION/WORKOVER:

AND	WELL SIGN	HOUSEKEEPING	ROCK
SAFETY	POCKET CNTL	SURFACE USE	PIPS
OPERATIONS	OTHER		
SHOT-IN / TA :			
WELL SIGN	HOUSEKEEPING	EQUIPMENT*	SAFETY
OTHER			
ABANDONED:			
N MARKER	N HOUSEKEEPING	N REHABILITATION	Y OTHER
PRODUCTION:			
WELL SIGN	HOUSEKEEPING	EQUIPMENT*	FACILITIES
METERING*	POCKET CNTL	PITS	DISPOSAL
SECURITY	SAFETY	OTHER	
GAS DISPOSITION:			
VENTED/FLARED	SOLD	LEASE USE	

PF KEYS: (RETURN) NEXT (O) WELL DATA (C) COMMENTS (V) CHECK LIST

OIL AND GAS INSPECTION COMMENTS

PROD. #

WELL NAME: NEEDLE ANTICLINE 1-B API: 43-027-0001
INSPECTOR: MH DATE: 910227 REVIEWED: NEXT INSP: 920627

*FACILITIES INSPECTED:

LOCATION, PIT-OPEN, WELL IS A DEPRESSION IN THE GROUND WITH A BOARD COVER ON ONE SIDE. THE SIDES OF THE CELLAR HAVE SLOUGHED IN COVERING THE CELLAR DEPT

REMARKS:

THAT HAS BEEN USED TO COVER THE 13 3/8 SURFACE CASING. THE WELL HEAD WAS PULLED OUT AND THE WELL DEPTH WAS GAUGED USING A MARKED FISHING LINE AND A FISHING LINE INTO THE WELL. 630 FEET DID NOT TOUCH BOTTOM. FLOOD LEVEL WAS 200'

ACTION:

SEE PICTURES. LOCATION NEEDS RECLAMATION, AND REHABILITATION. SEE SCHEMATIC FOR PLACEMENT OF 2 OTHER WELLS ON THE SAME WELL SITE.

PF KEYS: (RETURN) NEXT (O) CHECK LIST (V) CHECK LIST

OIL & GAS CONSERVATION COMMISSION

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
NEEDLE EXPLORATION CO INC.

3. ADDRESS OF OPERATOR
P.O. BOX 143, ELY NEVADA 89301

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

5. LEASE DESIGNATION AND SERIAL NO.
29648

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NO

7. UNIT AGREEMENT NAME
NO

8. FARM OR LEASE NAME
NO

9. WELL NO.
NEEDLE ANTICLINE #1-B

10. FIELD AND POOL, OR WILDCAT
WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC 16, T24S, R19W SLM

12. COUNTY OR PARISH
MILLARD

13. STATE
UTAH

14. PERMIT NO.
43-027-30010

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5600 GR.

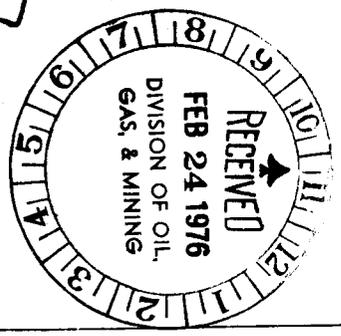
16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

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"/>
<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. OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent.)

150' OF 14" CASING WAS RUN ON 1/30/76 IN A 19" HOLE AND CEMENTED TO SURFACE WITH 150 SACKS CEMENT. A 12 1/4" HOLE WAS CONTINUED TO 2407'. ON FEB. 17, A DIP METER WAS RUN TO DETERMINE REASON FOR EXCESSIVE ELY LIMESTONE SECTION. WE ARE NOW AWAITING THE RESULTS OF THE DIP METER AND HAVE RELEASED THE RIG PREPARATORY TO MOVING IN A LARGER DRILLING RIG. NO OIL OR GAS SHOWS WERE ENCOUNTERED



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

SIGNED L A Newman TITLE President DATE 2/19/76

(This space for Federal or State office use)

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

Byron Jackson Inc.

P. O. BOX 2250, LONG BEACH, CALIF. 90801

SERVICE OPERATIONS

INVOICE

TERMS: NET 20TH PROX.
STATEMENTS ON REQUEST ONLY

PAYABLE AT LONG BEACH, CALIFORNIA

DATE 1-30-76 NO. 43-47145

DATE OF JOB	<u>1-29-76</u>	DISTRICT	<u>Roosevelt</u>	NEW WELL <input checked="" type="checkbox"/>	OLD WELL <input type="checkbox"/>	CUSTOMER'S ORDER NO.
CUSTOMER	<u>Needles Exploration</u>		WELL NO.	<u>1-B</u>		
ADDRESS	<u>Box 143</u>		COUNTY PARISH	<u>MILLARD</u>		
CITY	<u>ELY</u>	STATE	<u>NEVADA</u>	FIELD	<u>W/C</u>	
AUTHORIZED BY	<u>Mr Larry Newman</u>		WELL OWNER	<u>Same</u>		
	<u>44194</u>	(OFFICE USE ONLY)				

NEEDLE EXPLORATION COMPANY INC
P O BOX 143
ELY NEVADA 89301

	DATE	TIME
TRUCK CALLED	<u>1-29</u>	<u>6:00</u> AM
ARRIVED AT JOB	<u>1-29</u>	<u>6:30</u> AM
START OPERATION	<u>1-30</u>	<u>4:30</u> AM
FINISH OPERATION	<u>1-30</u>	<u>6:15</u> AM
RELEASED	<u>1-30</u>	<u>7:00</u> AM
MILES FROM STATION TO WELL	<u>319</u>	
BULK TICKET NO.		

Type Job:	<u>SURFACE</u>	Depth:	<u>150</u> Ft.	CEMENT DATA: Bulk <input type="checkbox"/>	Sacks <input checked="" type="checkbox"/>
Surface	<input checked="" type="checkbox"/> Intermediate <input type="checkbox"/> Production <input type="checkbox"/> Remedial <input type="checkbox"/>	Sacks		Brand	Type
Size Hole:	<u>19</u>	Depth:	<u>150</u> Ft.	% Gel	Admixes
Size & Wt. Casing:	<u>14</u>	NEW USED <input checked="" type="checkbox"/>	Depth: <u>150</u> Ft.		
Size & Wt. D. Pipe or Tubing		Depth:			
Top Plugs:	<u>—</u>	Type:		Weight of Slurry:	<u>14.5</u> LBS./GAL.
Bottom Plugs:	<u>—</u>	Type:		Volume of Slurry:	<u>40.5</u> BBL'S
Pump Tr. No.	<u>1323</u>	Fluid Pumped	<u>22.5</u>	Sacks Cement Treated With	% of

STAGE NO.	TOTAL PREV. GALS.	MAX. DEPTH	FT.	MAX. PRESSURE	P.S.I.
				<u>250</u>	

CONTRACT CONDITIONS: (This agreement must be signed before work is commenced)

The undersigned, as authorized agent of the customer, agrees and acknowledges that the services, materials, products and supplies provided for in this order shall be subject to the terms and conditions appearing on the front and reverse sides of the customer copy hereof and no additional terms and conditions shall apply to this order without the consent of an authorized representative of Byron Jackson Inc.

3-6071

SIGNED: X A A Newman
AGENT OF OWNER OR CONTRACTOR

PRICE REF. NO.	DESCRIPTION	AMOUNT
<u>0-261.00</u>	<u>Pump Truck Mileage Charge @ 1.10/mile</u>	<u>350 90</u>
<u>0-206.15</u>	<u>Pump Truck Service Charge</u>	<u>370 00</u>
<u>0-810.00</u>	<u>Mixing Service Charge @ .55/FT³ - 150FT³</u>	<u>82 50</u>
<u>0-255.00</u>	<u>Operators Exp. @ 50.00/Per Person Per Day - 2 People 1 day -</u>	<u>100 00</u>
<u>0-254.00</u>	<u>Waiting Time AFTER First 4hrs @ 55./HR FOR 18 HRS</u>	<u>990 00</u>
		<u>1893 40</u>

SERVICE REPRESENTATIVE:

Pete R. Christen

THE ABOVE MATERIAL AND SERVICE ORDERED BY CUSTOMER AND RECEIVED BY:

X A A Newman

(WELL OWNER OPERATOR OR AGENT)

JOB TICKET NO.

S 103288

K

PI P

STATE OF UTAH

OIL & GAS CONSERVATION COMMISSION

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 29648	
2. NAME OF OPERATOR NEEDLE EXPLORATORY CO, INC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME NO	
3. ADDRESS OF OPERATOR P.O. BOX 143, ELY, NEVADA 89301		7. UNIT AGREEMENT NAME NO	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 17 MILES SOUTH OF GARRISON, UT.		8. FARM OR LEASE NAME NO	
14. PERMIT NO. 43-027-30010		9. WELL NO. NEEDLE ANTLINE #1-B	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5600 GR.		10. FIELD AND POOL, OR WILDCAT WILDCAT	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC 16 T.24S, R.19W. SL17	
		12. COUNTY OR PARISH MILLARD	13. STATE UTAH

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

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

DIP LOG RESULTS INDICATE BEDS DIPPING EAST APPROX. 25°. THIS IS THE APPROX. ANGLE ANTICIPATED. ENCLOSED IS COPY OF THAT LOG. WE ARE NOW PREPARING TO MOVE IN RIG TO DRILL TO GUILMETTE FORMATION.

Also enclosed is a lithologic log.



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

SIGNED J A Newman TITLE PRESIDENT DATE 3/22/76

(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
OIL & GAS CONSERVATION COMMISSION

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

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>1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/></p> <p>2. NAME OF OPERATOR NEEDLE EXPLORATION CO, INC.</p> <p>3. ADDRESS OF OPERATOR P.O. BOX 143 ELY, NEVADA 89301</p> <p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 17 MILES SOUTH OF GARRISON, UT.</p> <p>14. PERMIT NO. 43-027-30010</p>	<p>5. LEASE DESIGNATION AND SERIAL NO. 29648</p> <p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME NO</p> <p>7. UNIT AGREEMENT NAME NO</p> <p>8. FARM OR LEASE NAME NO</p> <p>9. WELL NO. NEEDLE ANTICLINE #1-B</p> <p>10. FIELD AND POOL, OR WILDCAT WILDCAT</p> <p>11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA SEC. 16, T, 24S, R19W SLM</p> <p>12. COUNTY OR PARISH MILLARD</p> <p>13. STATE UTAH</p> <p>15. ELEVATIONS (Show whether DF, RT, OR, etc.) 5600 GR.</p>
---	--

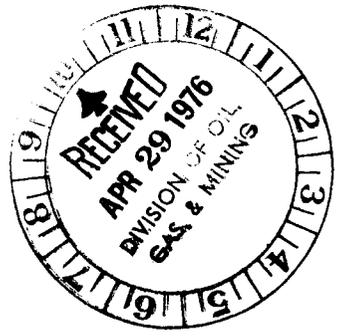
16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	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) <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.)*

WE ARE MAKING PREPARATIONS TO CONTINUE DRILLING TO THE GUILMETTE FORMATION,



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

SIGNED LA Merman TITLE PRESIDENT DATE 4/28/76

(This space for Federal or State office use)

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



CALVIN L. RAMPTON
Governor

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

CLEON B. FEIGHT
Director

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

September 22, 1976

OIL, GAS, AND MINING BOARD

GUY N. CARDON
Chairman

CHARLES R. HENDERSON
ROBERT R. NORMAN
JAMES P. COWLEY
HYRUM L. LEE

Needle Exploration Co., Inc.
P. O. Box 143
Ely, Nevada 89301

Re: Well No. Needle Anticline #1-B
Sec. 16, T. 34S, R. 19W
Millard County, Utah
May, 1976 - August, 1976

Gentlemen:

Our records indicate that you have not filed a Monthly Report of Operations for the months indicated above on the subject well(s).

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGC-1b, (U.S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

KATHY OSTLER
RECORDS CLERK

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

SUBMIT TRIPPLICATE*
(Other instructions on reverse side)

5. LEASE DESIGNATION AND SERIAL NO.

29648

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NO

7. UNIT AGREEMENT NAME

NO

8. FARM OR LEASE NAME

NO

9. WELL NO.

NEEDLE ANTICLINE #1-B

10. FIELD AND POOL, OR WILDCAT

WILDCAT

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

SEC. 16, T. 24S R19W

SLM

12. COUNTY OR PARISH 13. STATE

MILLARD UTAH

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

NEEDLE EXPLORATION CO. INC.

3. ADDRESS OF OPERATOR

P.O. BOX 143, ELY, NEVADA 89301

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

17 MILES SOUTH OF GARRISON, UT.

14. PERMIT NO.

43-027-3001A¹ OTS

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

5600

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other)

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

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

WE ARE CURRENTLY WAITING FOR A RIG TO CONTINUE DRILLING. THE WELL IS 2407' AND OPERATIONS HAVE BEEN SUSPENDED SINCE FEB. 1976 WHILE WAITING FOR A DRILL RIG.

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

SIGNED

LA Newman

TITLE

President

DATE

OCT 2, 1976

(This space for Federal or State office use)

APPROVED BY

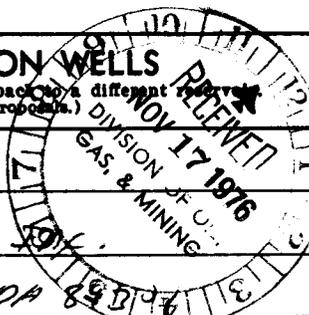
TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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

SUBMIT TRIPPLICATE*
(Other instructions on reverse side)



SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 29648
2. NAME OF OPERATOR NEEDLE EXPLORATION CO.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/D
3. ADDRESS OF OPERATOR P.O. BOX 143 ELY, UTAH		7. UNIT AGREEMENT NAME N/D
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 17 MILES SOUTH OF GARRISON, UT.		8. FARM OR LEASE NAME N/D
14. PERMIT NO. 43-027-30010	15. ELEVATIONS (Show whether DF, RT, CR, etc.) 5600	9. WELL NO. NEEDLE ANTICLINE #1-B
		10. FIELD AND POOL, OR WILDCAT wildcat
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 16 T24S R19W SLM
		12. COUNTY OR PARISH MILLARD
		13. STATE UTAH

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

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

OPERATIONS TEMPORARILY SUSPENDED AT 2407' WHILE WAITING FOR A DRILL RIG TO DEEPEN HOLE.

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

SIGNED J. A. Newman TITLE president DATE 11/15/76

(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

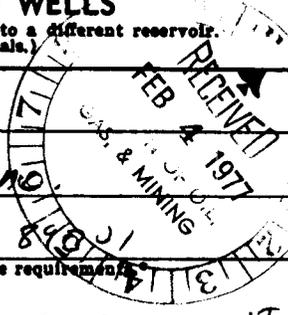
SUBMIT TRIPPLICATE*
(Other instructions on reverse side)

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.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 29648
2. NAME OF OPERATOR NEEDLE EXPLORATION CO. INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/D
3. ADDRESS OF OPERATOR P.O. BOX 143 ELY, NEVADA 89501		7. UNIT AGREEMENT NAME N/D
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 17 MILES SOUTH OF GARRISON, UT.		8. FARM OR LEASE NAME N/D
14. PERMIT NO. 43-027-30010		9. WELL NO. NEEDLE ANTICLINE #1-B
15. ELEVATIONS (Show whether SF, RT, OR, etc.) 5600		10. FIELD AND POOL, OR WILDCAT wildcat
		11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA Sec. 16 T 24 S R 19 W SLM
		12. COUNTY OR PARISH MILLARD
		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"/>	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) <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.)

OPERATIONS TEMPORARILY SUSPENDED AT 2407' WHILE WAITING FOR A DRILL RIG TO DEEPEN HOLE.

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

SIGNED J. A. Newman TITLE president DATE 2/2/77

(This space for Federal or State office use)

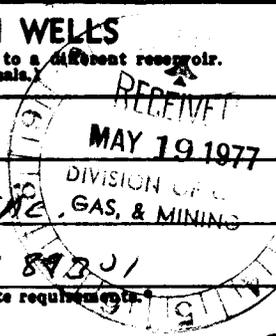
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

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

SUBMIT DUPLICATE*
(On instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

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



1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 29648
2. NAME OF OPERATOR NEEDLE EXPLORATION CO. INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
3. ADDRESS OF OPERATOR P.O. Box 143 ELY, NEVADA 89301		7. UNIT AGREEMENT NAME N/A
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 17 MILES SOUTH OF GARRISON, UT.		8. FARM OR LEASE NAME N/A
14. PERMIT NO. 43-027-30010		9. WELL NO. NEEDLE ANTICLINE #1-B
15. ELEVATIONS (Show whether OF, ST, GR, etc.) 5600		10. FIELD AND POOL, OR WILDCAT wildcat
		11. SEC., T., R., M., OR B.L. AND SURVEY OR AREA Sec. 16 T24S R19W SLM
		12. COUNTY OR PARISH MILLARD
		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"/>	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) <input type="checkbox"/>	

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.)

OPERATIONS TEMPORARILY SUSPENDED AT 2407' WHILE WAITING FOR A DRILL RIG TO DEEPEN HOLE. WE ARE ALSO WAITING ON THE RESULTS OF SEISMIC TESTS RUN BY NORTHWEST PIPELINE TO DETERMINE WHETHER TO CONTINUE NEEDLE ANTICLINE #1-B, OR TO START ANOTHER WELL AT A BETTER LOCATION

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

SIGNED J. A. Newman TITLE president DATE 5/18/77

(This space for Federal or State office use)

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

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

CLEON B. FEIGHT
Director

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1528 West North Temple
Salt Lake City, Utah 84116
(801) 533-5771

August 18, 1978

MINERAL STATEMENT
Chairman

CHARLES R. HENDERSON
JOHN L. BELL
THADIS W. BOX
C. RAY JUVELIN

Needle Exploration Co., Inc.
P. O. Box 143
Ely, Nevada 89301

Re: Well No. Needle Anticline #1-b
Sec. 16, T. 24S, R. 19W,
Millard County, Utah
June 1977 thru June 1978

Gentlemen:

Our records indicate that you have not filed a Monthly Report of Operations for the months indicated above on the subject well.

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGC-1b, (U.S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

Kathy Avila
KATHY AVILA
RECORDS CLERK

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

5. LEASE DESIGNATION AND SERIAL NO.

29648

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N.A.

7. UNIT AGREEMENT NAME

N.A.

8. FARM OR LEASE NAME

N.A.

9. WELL NO.

Needle Anticline #1-B

10. FIELD AND POOL, OR WILDCAT

Wildcat

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

Sec. 16, T. 24S., R. 19W.
S.L.M.

12. COUNTY OR PARISH

Millard

13. STATE

Utah

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
Needle Exploration Company, Inc.

3. ADDRESS OF OPERATOR
P.O. Box 143 Ely, Nevada 89301

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
17 Miles South of Garrison, Utah

14. PERMIT NO.
43-027-30010

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5600 Gr.

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)			

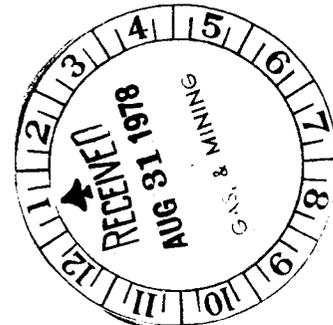
SUBSEQUENT REPORT OF:

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)			

(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.)*

Making preparations to move in a larger drilling rig to drill well to T.D.



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

SIGNED Jerry A. Morrison

TITLE President

DATE Sept. 1, 1978

(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

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. 29648
2. NAME OF OPERATOR NEEDLE EXPLORATION CO. INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/D
3. ADDRESS OF OPERATOR P.O. BOX 143 ELY, NEVADA 89301		7. UNIT AGREEMENT NAME N/D
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 17 MILES SOUTH OF GARRISON, UT.		8. FARM OR LEASE NAME N/D
14. PERMIT NO. 43-027-30010		9. WELL NO. NEEDLE ANTICLINE #1-B
15. ELEVATIONS (Show whether SF, RT, CR, etc.) 5600		10. FIELD AND POOL, OR WILDCAT wildcat
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 16 T24S R19W SLM
		12. COUNTY OR PARISH MILLARD
		13. STATE 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"/>	FULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDISE <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 ACIDISING <input type="checkbox"/>	ABANDONMENT* <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.)*

OPERATIONS TEMPORARILY SUSPENDED AT 2407' WHILE WAITING FOR A DRILL RIG TO DEEPEN HOLE.

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

SIGNED J. A. Newman TITLE president DATE 11/14/77

(This space for Federal or State office use)

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



SCOTT M. MATHESON
Governor

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

CLEON B. FEIGHT
Director

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116
(801) 533-5771

OIL, GAS, AND MINING BOARD

CHARLES R. HENDERSON
Chairman

JOHN L. BELL
C. RAY JUVELIN
THADIS W. BOX
CONSTANCE K. LUNDBERG
EDWARD T. BECK
E. STEELE McINTYRE

December 20, 1979

Needle Exploration Co. Inc,
P. O. Box 143
Ely, Nevada 89301

RE: Well No. Needle Anticline #1-B
Sec. 16, T. 24S, R. 19W,
Millard County, Utah

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above referred to 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

Debbie Beauregard
DEBBIE BEAUREGARD
CLERK-TYPIST

March 17, 1980

Needle Exploration Co.
P.O. Box 143
Ely, Nevada 89301

Re: Well No. Needle Anticline #1-B
Sec. 16, T. 24S, R. 19W.
Millard County, Utah
February 1980

Gentlemen:

Our records indicate that you have not filed the monthly drilling reports for the month indicated above on the subject well.

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on ~~Form 600~~ 1B, (U.S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING



JANICE TABISH
CLERK-TYPIST

ML

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.)

5. LEASE DESIGNATION AND SERIAL NO.

29648

6. IF INDIAN, ALLOTTED OR TRIBE NAME

No

7. UNIT AGREEMENT NAME

No

8. FARM OR LEASE NAME

No

9. WELL NO.

Needle Anticline #1-B

10. FIELD AND POOL, OR WILDCAT

Wildcat

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

Sec. 16 T. 24 S. R.19W.

SLM

12. COUNTY OR PARISH

Millard

13. STATE

Utah

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Needle Exploration Company, Inc.

3. ADDRESS OF OPERATOR
P.O. Box 143 Ely, Nevada 89301

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

17 miles south of Garrison, Utah

14. PERMIT NO.
43-027-30010

15. ELEVATIONS (Show whether DF, RT, OR, etc.)
2600

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 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.)*

✓ We are making preparations to deepen well to 10,500'

RECEIVED

MAR 20 1980

DIVISION OF
OIL, GAS & MINING

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

SIGNED

Larry A. Newman
LARRY A. NEWMAN

TITLE

President

DATE

3/18/80

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

November 24, 1980

Needle Exploration Co., Inc.
P. O. Box 143
Ely, Nevada 89301

RE: Well No. Needle Antiline #1-B
Sec. 16, T. 24S, R. 19W,
Millard, County, Utah
April 1980 thru October 1980

Gentlemen:

Our records indicate that you have not filed the monthly drilling reports for the month (s) indicated above on the subject well(s).

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGC-1B, (U.S Geological Survey Form 9-331) "Sundry Notices and Reports on Wells" or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

Debbie Beauregard

DEBBIE BEAUREGARD
CLERK TYPIST



COMMODORE RESOURCES CORPORATION
4527 SOUTH 2300 EAST, SUITE 106, SALT LAKE CITY, UTAH 84117 (801) 272-4404

December 16, 1980

State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
Salt Lake City, Utah 84118

Dear Sirs:

Please be advised that on November 10, 1980 Ensign Gas and Oil Corporation merged with Commodore Resources Corporation with Commodore Resources Corporation being the surviving company. Please change your records accordingly.

If you have any questions in this matter please feel free to contact me at 272-8427 or 272-4404 Monday through Friday from 8:30 A.M. to 5:30 P.M.

Sincerely,

Boni J. Wharton,
Secretary, Treasurer of
Ensign Gas and Oil Corp.

RECEIVED

DEC 16 1980

DIVISION OF
OIL, GAS & MINING

DATE

2-10

TIME

3:10

 AM PM

TO

Hal

While You Were Out

M

Alex Boulton

OF

Commandor Resources

PHONE

355-7260

TELEPHONED

WILL CALL AGAIN

CALLED TO SEE YOU

RETURNED YOUR CALL

WANTS TO SEE YOU

URGENT

PLEASE CALL

VISITED YOUR OFFICE

MESSAGE:

Alex Boulton w/ Com Res indicated in phone conversation 2/10/84 that they were reviewing matter of P&A and would act if they're, in fact, legally responsible.

Suggested

spring '84 as date
of P&A.

BY:



June 23, 1981

Needle Exploration Co., Inc.
P. O. Box 143
Ely, Nevada 89301

Re: Well No. Needle Anticline #1-B
Sec. 16, T24S, R. 19W
Millard County, Utah
(November '80-May '81)

Gentlemen:

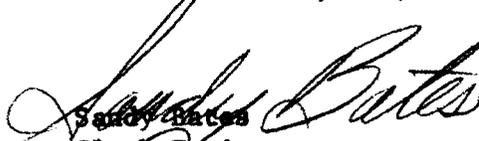
Our records indicate that you have not filed the monthly drilling reports for the months indicated above on the subject well.

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGB-1B, (U. S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells," or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

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. Reinhard, Executive Director
Cleon B. Feight, Division Director

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

February 3, 1982

Needle Exploration Co., Inc.
P. O. Box 143
Ely, Nevada 89301

Re: Well No. Needle Anticline #1-B
Sec. 16, T. 24S, R. 19W
Millard 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 also all drilling information on this well is needed to be forwarded 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

**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.

RECEIVED
FEB 10 1982

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

an equal opportunity employer • please recycle paper



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

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

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

May 18, 1982

Needle Exploration Company, Inc.
P. O. Box 143
Ely, Nevada 89301

RE: Failure to comply with the General Rules and Regulations
and Rules of Practice of the Division of Oil, Gas and Mining

Gentlemen:

Records maintained by the Division of Oil, Gas and Mining indicate that you have failed to respond to numerous requests for information on the Needle Anticline 1-B well located in Millard County, Utah.

Be advised that if logs and accurate status reports of all operations and activities on the aforementioned well is not received by May 31, 1982 I shall schedule an Order to Show Cause before the Board of Oil, Gas and Mining. Among the measures I shall request the Board to approve is a moratorium of all your future drilling applications and operations.

Perhaps up to this point, you have not realized the serious possible consequences of your failure to comply with the Division's regulations. The situation is serious and unwarranted. Furthermore, it will not be allowed to persist.

It is my wish that this matter be resolved without compelling you to appear before the Board of Oil, Gas and Mining. Therefore, if I can be of any assistance, please do not hesitate to contact me.

Sincerely,

Carolyn Driscoll
Special Assistant Attorney General

CD/as



STATE OF UTAH
NATURAL RESOURCES & ENERGY
State Lands & Forestry

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Ralph A. Miles, Division Director

3100 State Office Building • Salt Lake City, UT 84114 • 801-533-5381

June 8, 1982

Commodore Resources Corporation
57 West 200 South
Suite 503
Salt Lake City, UT
84101

Gentlemen:

RE: ML 29648

The Director, on April 12, 1982, approved assignment of the above-numbered lease to you by Reef Oil Corporation. No override, but subject to 5 percent overriding royalty previously reserved.

The State assumes no responsibility in collecting or distributing overriding royalty.

Our records have been noted and we herewith enclose the original lease and the original assignment.

Yours very truly,

A handwritten signature in cursive script that reads "Donald G. Prince".

DONALD G. PRINCE
ASSISTANT DIRECTOR

bp

Enclosures

ASSIGNMENT

CERTIFICATE NO. N/A
GRAZING LEASE NO. N/A
MINERAL LEASE NO. 29648

APPLICATION NO. _____

The undersigned, as owner of record title interest as hereinafter specified in and to ML 29648; GL N/A; Certificate No. N/A as designated, for good and valuable consideration and _____ DOLLARS does hereby assign to COMMODORE RESOURCES CORPORATION ADDRESS: 57 West 200 South, Suite #503, Salt Lake City, Utah 84101
The rights, title, and interest in rights and privileges as lessee in such lands, to the extent indicated, subject to the reservation of overriding royalties as herein noted:

1. Land affected by this assignment in County of Millard, State of Utah. Described herein as:

Township 24 South, Range 19 West SLM

Section 16 - ALL

640 ACRES

- 2. Interest of assignor in such lands 100%
- 3. Extent of such interest conveyed to Assignee (Note percentage of 2.) 100%
- 4. Overriding royalty reserved herein to Assignor (Note percentage only) None
- 5. Overriding royalty previously reserved (Note percentage only) 5%

It is hereby certified that the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief and are made in good faith.

Executed and witnessed this 6th day of April, 19 82.

WITNESS:

[Signature]

X G.L. Durrett

(Lessee--Assignor)

LESSOR--ASSIGNOR'S ACKNOWLEDGEMENT

G.L. Durrett, President
Reef Oil Corporation
P.O. Box 143
Ely, Nevada 89301

STATE OF UTAH)
) ss.
COUNTY SALT LAKE)

On the 6th day of April, A.D. 19 82, personally appeared before me G.L. Durrett, signer (s) of the above instrument, who duly acknowledged to me that (he, she, they) he executed the same.

My Commission Expires: OCT. 23rd 1984

West Jordan ut.
Notary Public--Residing at:

INDIVIDUAL'S ACCEPTANCE OF ASSIGNMENT
AFFIDAVIT OF CITIZENSHIP OF ASSIGNEE

I, (we) _____ on oath, do solemnly swear that I am (we are) at the present time (a) * _____ Citizen (s) of the United States of America and of legal age, and I (we) hereby assume and agree to perform all of the covenants and obligations of said lease on the part of the lessee (s) to be kept and performed, and accept the foregoing instrument.

BY: _____

Subscribed and sworn to before me this _____ day of _____, 19 _____.

My Commission Expires: _____

Notary Public--Residing at: _____

NOTE: a* Insert here whether native born or naturalized. If naturalized, it will be necessary to file with this office Proof of Citizenship or Declaration of Intention to become a citizen in the form of a letter or certificate of verification from Court of Issuance, and registration fee of \$1.00.

THIS DOCUMENT MAY BE DUPLICATED ASSIGNMENT APPROVED

APR 12 1982

DIVISION OF STATE LANDS



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

June 22, 1982

Commadore Resources
57 West 200 South, Suite 503
Salt Lake City, Utah 84101

RE: Needle Anticline 1-B Well

Gentlemen:

Larry Newman has informed this office that you have assumed an interest in the Needle Anticline 1-B well located in Millard County, Utah.

No record of the afორereferenced transfer of ownership has been filed with the Division of Oil, Gas and Mining. Nor have proper reports been timely tendered to the Division of Oil, Gas and Mining. Both of these omissions are contrary to the rules and regulations of the Division of Oil, Gas and Mining.

Be advised that if accurate status reports of all operations and activities on the afორereferenced well, a proper designation of operator, a transfer of interest, and a new bond are not submitted to the Division of Oil, Gas and Mining prior to July 9, 1982 I shall schedule an Order to Show Cause before the Board of Oil, Gas and Mining. Among the measures I shall ask the Board to approve is a moratorium of all your future drilling applications and operations.

I should like to resolve this matter without compelling you to appear before the Board of Oil, Gas and Mining. Therefore, if I can be of any further assistance, please do not hesitate to contact me.

Sincerely,

Carolyn Driscoll
Special Assistant Attorney General

CD/as

*Called Don
Purman 7/21/82
Commissioner must sign for
Comm*

POOR COPY

CD/as

Called Don

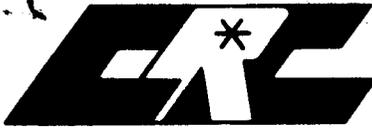
Preper

7/29/82

Annexed

must pay to B

Done



COMMODORE RESOURCES CORPORATION

57 WEST 200 SOUTH, SUITE 503, SALT LAKE CITY, UTAH 84101 (801) 521-6400

July 26, 1982

State of Utah
Natural Resources & Energy
Oil, Gas & Mining
Ms. Carolyn Driscoll
4241 State Office Building
Salt Lake City, Utah 84114

Re: Needle Anticline 1-B Well

Dear Ms. Driscoll:

In reference to your letter of June 22, 1982, Commodore Resources Corporation hereby informs you that the 1-B well referenced above was already located on the property when ownership was transferred from Reef Oil Corporation to Commodore Resources.

Commodore Resources drilled a well, the Ensign #1-16, for which reports have been timely submitted. Therefore, we feel it is Reef Oil Corporation's obligation to submit reports for the 1-B well.

Enclosed please find a copy of the approved assignment from Reef Oil Corporation to Commodore Resources Corporation.

If you should have further questions, please do not hesitate to contact this office.

Sincerely,

COMMODORE RESOURCES CORPORATION

By Donna Lance
Executive Secretary

dl;
Enclosure
CC: Larry Newman

RECEIVED

JUL 27 1982

**DIVISION OF
OIL, GAS & MINING**



COMMODORE RESOURCES CORPORATION
57 WEST 200 SOUTH, SUITE 503, SALT LAKE CITY, UTAH 84101 (801) 521-6400

August 9, 1982

Ms. Carolyn Driscoll
State of Utah
Natural Resources & Energy, Oil, Gas & Mining
4241 State Office Building
Salt Lake City, Utah 84114

Re: Needle Anticline 1-B well located in Millard County, Utah

Dear Ms. Driscoll:

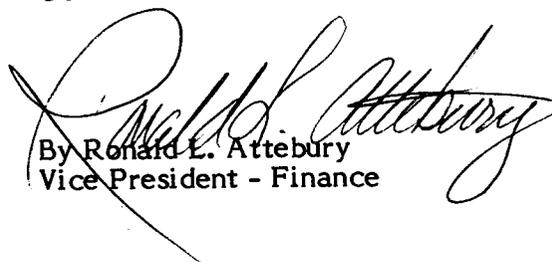
Reference is made to your letter of August 2, 1982, to Donna Lance of this office.

✓ Plugging of this well is being deferred pending the outcome of the Outlaw Federal #1 well located on adjacent property being drilled by Commodore Resources Corporation. Following the results of this well, we will analyze whether to plug the Needles 1-B well or to re-enter.

If you should have any further questions, please do not hesitate to contact the undersigned.

Sincerely,

COMMODORE RESOURCES CORPORATION


By Ronald L. Attebury
Vice President - Finance

RLA:dl

RECEIVED

AUG 10 1982

DIVISION OF
OIL, GAS & MINING



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

November 18, 1982

Commodore Resources Corporation
Att: Donna Lance
57 West 200 South, Suite 503
Salt Lake City, Utah 84101

Re: Well No. Needle Anticline #1-B
Sec. 16, T. 24S, R. 19W,
Millard County, Utah

Gentlemen:

This office is receiving reports on the above well from your company. We have not received any information stating that your company is now operator of this well. If your company has taken over operations, it is now your responsibility as operator to submit that operator name change to this office. Please send in that change stated on a Sundry Notice OGC-1b (enclosed). If you have not taken over responsibility of this well, please explain why your office is sending in the forms for this well.

We have no information on the drilling of this well since August 1982. According to Rule C-22, General Rules and Regulations of Practice and Procedure on wells, monthly reports are required to be submitted to this agency on or before the sixteenth (16) day of the month succeeding month. You may file this information on Form OGC-1b, "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information.

Thank you for your prompt attention to the above matter.

Sincerely,

DIVISION OF OIL, GAS AND MINING

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

Cari Furse
Clerk Typist

CF/cf
Enclosures



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

March 10, 1983

Commodore Resources Corporation
 Att: Donna Lance
 57 West 200 South, Suite 503
 Salt Lake City, Utah 84101

2nd NOTICE

*✓ Ron Atteberry
 521-6400*

Well No. Needle Anticline # 1-B
 Sec. 16, T. 24S, R. 19W.
 Millard County, Utah

*200 SO. MAIN
 SUIT 605
 84101*

Dear Ms. Lance:

On November 18, 1982, I sent you the following letter with no reply as of today's date so this letter is just a reminder.

This office is receiving reports on the above well from your company. We have not received any information stating that your company is now operator of this well. If your company has taken over operations, it is now your responsibility as operator to submit that operator name change to this office. Please send in that change stated on a Sundry Notice OGC-1B (enclosed). If you have not taken over responsibility of this well, please explain why your office is sending in the forms for this well.

We have no information on the drilling of this well since August 1982. According to Rule C-22, General Rules and Regulations of Practice and Procedure on wells, monthly reports are required to be submitted to this agency on or before the sixteenth (16) day of the month succeeding month. You may file this information of Form OGC-1b, "Sundry Notice and Reports on Wells", or on company forms containing substantially the same information.

**You are in violation with the above rule. If you wish to continue developing business in the State of Utah, compliance with pertinent rules and regulations is essential. Further delay in your attention to this matter may result in punitive action. Please submit the required information as stated above within fifteen (15) days.

Thank you for your prompt attention to the above matter.

Respectfully,

DIVISION OF OIL, GAS AND MINING

Cari Furse

Cari Furse
 Well Records Specialist

CF/cf
 Enclosures

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



THOMAS E. WOLTER & ASSOCIATES, INC.
PETROLEUM CONSULTANTS

April 11, 1983

State of Utah
Oil & Gas Commission
4241 State Office Bldg.
Salt Lake City, UT 84114
ATTN: MR. RON FIRTH

RE: P&A
Needles 1-B
Sec. 16 T24S R19W
Millard County, Utah
Approx. TD 2407'

Dear Ron:

Commodore Resources asked me to contact you regarding the plugging and abandonment of the above captioned well.

This well was drilled several years ago and the records are sketchy. Would you please review the State wellfiles and make a recommendation as to how Commodore Resources should properly P&A the well.

I look forward to hearing from you.

Sincerely,

THOMAS E. WOLTER & ASSOCIATES, INC.

Thomas E. Wolter

THOMAS E. WOLTER

TEW:cc
cc: Commodore Resources

RECEIVED
APR 15 1983

**DIVISION OF
OIL, GAS & MINING**



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

December 29, 1983

Mr. Thomas E. Wolter
Thomas E. Wolter & Associates, Inc.
Bank of Utah Building, Suite 211
70 East South Temple
Salt Lake City, Utah 84111

RE: Well No. Needle Anticline #1-B
Commadore Resources Corp.
Sec. 16, T. 24S, R. 19W.
Millard County, Utah

Gentlemen:

On May 3, 1983 a letter was sent to you in reference to your letter of April 11, 1983 regarding the plugging and abandonment procedure for the above well. As of the date of this letter we have not received any further communication regarding this well.

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. It is also necessary to complete and remit Sundry Notices outlining your intent to abandon and subsequent abandonment.

We also have one other problem with this well in that we do not have official notification as to who the operator of this well is at this time. Would you please submit a sundry with this information.

Enclosed are the necessary forms to enable you meet with these requirements.

We will be happy to acknowledge receipt of response to this notice if you will include an extra copy of the transmittal letter with a place for our signature, and a self addressed envelope for the return. Such acknowledgement should avoid unnecessary mailing of a second notice from our agency.

Your prompt attention to the above, as you have with many other similar problems in the past, will be greatly appreciated.

Respectfully,

Claudia Jones
Well Records Specialist

CJ/cj
Enclosure



THOMAS E. WOLTER & ASSOCIATES, INC.
PETROLEUM CONSULTANTS

RECEIVED
FEB 7 1984

February 3, 1984

**DIVISION OF
OIL, GAS & MINING**

State of Utah
Natural Resources
Oil, Gas and Mining
4241 State Office Bldg.
Salt Lake City, UT 84114
ATTN: MS. CLAUDIA JONES

RE: Needles Anticline #1-B
Sec. 16 T24S R19W
Millard County, Utah

Dear Ms. Jones:

As per your letter of December 29, 1983 (copy enclosed), this letter is to advise you of my involvement with the above captioned well.

In April, 1983, Commodore Resources was a client of mine. They asked me to find the status of the well, i.e. depth, amount of casing set, etc. That inquiry prompted my letter to the Oil, Gas and Mining Dept.

Commodore Resources has since filed for bankruptcy. I have been unable to determine if they are the operator of this well or whether someone else is. I don't believe that they drilled the well.

If you have any additional questions, please advise.

Very truly yours,

THOMAS E. WOLTER & ASSOCIATES, INC.

Thomas E. Wolter

THOMAS E. WOLTER

TEW:cn
enclosures

10/11/87

Called Commodore Office in SLC.
Talked to Ms. Nancy Hagar. 521-6400

She says that they are currently trying to reorganize operations following bankruptcy action in Sept. 1983. She will look into this well & see what can be done.

- JRB

5/3/85

Spoke to Nancy Hagar again. She indicated that their records have been shuffled about & a consulting geologist has been hired to tie up loose ends on this well. Mr. E.L. Freund will call me back next week.



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

July 22, 1985

Audie Wisener
P.O. Box 216
Arvade, Colorado 80001

Dear Mr. Wisener:

RE: Recommended Seed Mixtures For Rehabilitation of Commodore Resources Wells No. 1-B, 1-A, and Ensign 1-16

In response to our phone conversation on July 16, 1985, I have enclosed a suggested seed mixture to use on the drill sites you will be reclaiming. These suggestions are typical mixtures for this type of country. If necessary, you can use the seed substitutions if the suggested seed is not available. However, you need to utilize the equivalent rates per acre.

Before you begin your wellsite work, whether it be a plugging job, site rehabilitation or seeding, please contact the Division so that we may approve the operation and coordinate the onsite work with you.

We look forward to hearing from you and appreciate your cooperation in this matter.

Sincerely,

Dorothy Swindel

Dorothy Swindel
Oil and Gas Field Specialist

sb
Enclosures
cc: Leon Wisener
R.J. Firth
J.R. Baza
9689T-60

Attachment

Suggested Seed Mixture for Well Site in Section 16, T.24S, R.19W,
Millard County, Utah.

<u>Scientific Name</u>	<u>Common Name</u>	<u>Seeding Rate</u>
<u>Agropyron spicatum</u>	Bluebunch Wheatgrass	4.0
<u>Oryzopsis hymenoides</u>	Indian Ricegrass	4.0
<u>Poa ampla</u>	Sherman Big Bluegrass	4.0
<u>Balsamorhiza sagitata</u>	Arrowleaf Balsamroot	1.0
<u>Onybrychis viciaefolia</u>	Sainfoin	1.0
<u>Melilotus officianalis</u>	Yellow Sweetclover	2.0
<u>Atriplex canescens</u>	4-wing Saltbush	<u>1.0</u>
		17

Seeding rate in lbs./acre

Possible Substitutions:

Intermediate Wheatgrass	5#
Nordan Crested Wheatgrass	4#
Russian Wildernegrass	3#
Sweet Clover	#1

sb
9689T-61



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

July 22, 1985

Audie Wisener
P.O. Box 216
Arvade, Colorado 80001

Dear Mr. Wisener:

RE: Recommended Seed Mixtures For Rehabilitation of Commodore Resources Wells No. 1-B, 1-A, and Ensign 1-16

In response to our phone conversation on July 16, 1985, I have enclosed a suggested seed mixture to use on the drill sites you will be reclaiming. These suggestions are typical mixtures for this type of country. If necessary, you can use the seed substitutions if the suggested seed is not available. However, you need to utilize the equivalent rates per acre.

Before you begin your wellsite work, whether it be a plugging job, site rehabilitation or seeding, please contact the Division so that we may approve the operation and coordinate the onsite work with you.

We look forward to hearing from you and appreciate your cooperation in this matter.

Sincerely,

Dorothy Swindel

Dorothy Swindel
Oil and Gas Field Specialist

sb
Enclosures
cc: Leon Wisener
R.J. Firth
J.R. Baza
9689T-60

Attachment

Suggested Seed Mixture for Well Site in Section 16, T.24S, R.19W,
Millard County, Utah.

<u>Scientific Name</u>	<u>Common Name</u>	<u>Seeding Rate</u>
<u>Agropyron spicatum</u>	Bluebunch Wheatgrass	4.0
<u>Oryzopsis hymenoides</u>	Indian Ricegrass	4.0
<u>Poa ampla</u>	Sherman Big Bluegrass	4.0
<u>Balsamorhiza sagitata</u>	Arrowleaf Balsamroot	1.0
<u>Onybrychis viciaefolia</u>	Sainfoin	1.0
<u>Melilotus officianalis</u>	Yellow Sweetclover	2.0
<u>Atriplex canescens</u>	4-wing Saltbush	<u>1.0</u>
		17

Seeding rate in lbs./acre

Possible Substitutions:

Intermediate Wheatgrass	5#
Nordan Crested Wheatgrass	4#
Russian Wildernegrass	3#
Sweet Clover	#1

sb
9689T-61

PLUG AND ABANDONMENT PROCEDURE

Needle Anticline State 1-B
Section 16, T24S, R19W
Millard County, Utah

Well Data:

Location: 1980' FNL 2030' FWL
Total Depth: 500'
Casing: 13 3/8"

Procedure:

The Division shall be notified 24 hours prior to the start of plugging operations.

1. MIRU well service unit.
2. GIH to 500'
3. Set 100' balanced cement plug, WOC TAG PLUG.
4. POOH to 50' below bottom of surface casing. @ 200' set 100' balanced cement plug.
5. POOH set 10 sx plug @ surface. Install dry hole marker with legal identification.
6. Remove debris, level disturbed area around dry hole marker.

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 interval. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Dry Hole <input checked="" type="checkbox"/>		AUG 14 1985		5. LEASE DESIGNATION AND SERIAL NO. 29648
2. NAME OF OPERATOR Commodore Resources Corporation		DIVISION OF OIL		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
3. ADDRESS OF OPERATOR 50 S. Main 14th Floor Salt Lake City, Utah		GAS & MINING		7. UNIT AGREEMENT NAME N/A
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface C SE/4 NW/4 Sec. 16-T24S-R19W Millard Co., Utah Approximately 17 mi. south of Garrison, Utah		84144		8. FARM OR LEASE NAME N/A
14. PERMIT NO. 43-027-30010		15. ELEVATIONS (Show whether of, to, or, etc.) 5600 GR		9. WELL NO. Needles Anticline #1-B
				10. FIELD AND POOL, OR WILDCAT Wildcat
				11. SEC., T., R., M., OR BLE. AND SUBST. OR AREA SE/4 NW/4 16-24S-19W
				12. COUNTY OR PARISH Millard
				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"/>	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 checked="" 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.)

150' of 14" OD CSG was run on 1/30/76 in 19" hole and cemented to surface with 150 sacks of cement. A 12-1/4" hole was drilled to 2407' and the well was temporarily abandoned.

Proposed P&A procedure is as follows:

- 1) MIRU water well drilling rig.
- 2) Clean out to approximately 200' with air and/or foam.
- 3) Spot approximately 100' plug of bentonite gravel.
- 4) Load hole with water or drilling mud.
- 5) Spot 10 sack cement plug at surface.
- 6) Erect dry hole marker.
- 7) Clean and level location.

Conditions of approval:

- ① 24 hour notice shall be given to the Division prior to performing P&A operations
- ② Subsequent report of P&A shall be filed within 30 days of completion of work.

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
 DATE: 8/21/85
 BY: John R. Daga

18. I hereby certify that the foregoing is true and correct
 SIGNED: Richard S. Langdon TITLE: President DATE: 8/9/1985
 (This space for Federal or State office use)

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

Commodore Resources Corpora
50 S. Main - 14th Floor
Salt Lake City, Utah 84144

August 9, 1985

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 W. North Temple
3 Triad Center
Suite 350
Salt Lake City, Utah 84180-1203

RECEIVED

AUG 14 1985

DIVISION OF OIL
GAS & MINING

Attn: Mr. John Baza

Re: Needles Anticline No. 1-B, C SE/4 NW/4 Sec 16-R24S-T19W, Millard Co., Utah

Dear Mr. Baza;

Pursuant to recent meetings and discussions between you and our representative, Mr. E.L. Freund, Commodore Resources Corp. proposes the attached abandonment procedure for the captioned well. Our proposal to perform this work does not in any way constitute an admission on our part that the above referenced well is a legal liability of the reorganized Commodore Resources Corp.. Rather, it is our intent to demonstrate our desire for a positive ongoing relationship with the Division of Oil, Gas and Mining.

Thank you for your cooperation. Should you have any questions, please contact Mr. Freund at (303) 830-0137 (office) or (303) 779-1148 (home).

Sincerely,



Richard S. Langdon
President

c.c. Alex Bolton
E.L. Freund

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

5. LEASE DESIGNATION AND SERIAL NO.	29648
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	N/A
7. UNIT AGREEMENT NAME	N/A
8. FARM OR LEASE NAME	N/A
9. WELL NO.	Needles Anticline #1-B
10. FIELD AND POOL, OR WILDCAT	Wildcat
11. SEC., T., R., M., OR BLK. AND SUBST. OR AREA	SE/4 NW/4 16-24S-19W
12. COUNTY OR PARISH	Millard
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 well. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL GAS WELL OTHER Dry Hole **AUG 14 1985**

2. NAME OF OPERATOR
Commodore Resources Corporation

3. ADDRESS OF OPERATOR
50 S. Main 14th Floor Salt Lake City, Utah 84144

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface
C SE/4 NW/4 Sec. 16-T24S-R19W
Millard Co., Utah
Approximately 17 mi. south of Garrison, Utah

14. PERMIT NO. 43-027-30016

15. ELEVATIONS (Show whether OF, ST, GR, etc.)
5600 GR

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

150' of 14" OD CSG was run on 1/30/76 in 19" hole and cemented to surface with 150 sacks of cement. A 12-1/4" hole was drilled to 2407' and the well was temporarily abandoned.

Proposed P&A procedure is as follows:

- 1) MIRU water well drilling rig.
- 2) Clean out to approximately 200' with air and/or foam.
- 3) Spot approximately 100' plug of bentonite gravel.
- 4) Load hole with water or drilling mud.
- 5) Spot 10 sack cement plug at surface.
- 6) Erect dry hole marker.
- 7) Clean and level location.

Conditions of approval:

- ① 24 hour notice shall be given to the Division prior to performing PxA operations
- ② Subsequent report of PxA shall be filed within 30 days of completion of work.

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

DATE: 8/21/85
BY: John R. Day

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

SIGNED: Richard S. Langdon TITLE: President DATE: 8/9/1985

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Commodore Resources Corporation
50 S. Main - 14th Floor
Salt Lake City, Utah 84144

August 9, 1985

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 W. North Temple
3 Triad Center
Suite 350
Salt Lake City, Utah 84180-1203

RECEIVED

AUG 14 1985

DIVISION OF OIL
& GAS & MINING

Attn: Mr. John Baza

Re: Needles Anticline No. 1-B, C SE/4 NW/4 Sec 16-R24S-T19W, Millard Co., Utah

Dear Mr. Baza;

Pursuant to recent meetings and discussions between you and our representative, Mr. E.L. Freund, Commodore Resources Corp. proposes the attached abandonment procedure for the captioned well. Our proposal to perform this work does not in any way constitute an admission on our part that the above referenced well is a legal liability of the reorganized Commodore Resources Corp.. Rather, it is our intent to demonstrate our desire for a positive ongoing relationship with the Division of Oil, Gas and Mining.

Thank you for your cooperation. Should you have any questions, please contact Mr. Freund at (303) 830-0137 (office) or (303) 779-1148 (home).

Sincerely,



Richard S. Langdon
President

c.c. Alex Bolton
E.L. Freund

COMPANY: Commodore Res DATE: 10-3 TIME: 11:30^{PM}

PERSONAL CONTACT DOCUMENTATION

CONTACT: Mary Erwin, Geologist

CONTACT TELEPHONE NO: 212-935-5400

SUBJECT: M2-29649 Well # 1-B SE, Anticline Fed 1-16, $\frac{1}{3}$ water well

(Use attachments if necessary)

RESULTS was not aware of well # 1-B, will get on it and get made to me next week

(Use attachments if necessary)

CONTACTED BY: WY



STATE OF UTAH
 NATURAL RESOURCES
 Oil, Gas & Mining

111931

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

43-027-30011

November 17, 1986

Ms. Mary Erwin
 Commodore Resources
 34th Floor
 150 East 58th Street
 New York, New York 10155

Dear Ms. Erwin:

RE: Needles Anticline Well No. 1-B, Sec.16, T.24S, R.19W,
Millard County, Utah

As a followup to a recent conversation between yourself and Mr. William Moore, of the Division of Oil, Gas and Mining, I am sending you a copy of the Notice of Intent to Abandon the subject well. The procedure was mutually agreed upon by a representative of your company and this Division. As of this date, the well remains unplugged and unmarked and the site unreclaimed.

Because of the substantial length of time that the well has remained in its current state, it is a serious concern to the Division. Please contact this office immediately concerning your intent regarding the subject well.

Thank you for your prompt consideration of this matter.

Sincerely,

John R. Baza
 Petroleum Engineer

sb
 cc: D. R. Nielson
 R. J. Firth
 ✓ Well File

0258T-53

COMPANY: Commodore DATE: 12-3-86 TIME: 10:17a

PERSONAL CONTACT DOCUMENTATION

CONTACT: Mary Erwin

CONTACT TELEPHONE NO: 212-935-5400

SUBJECT: Commodore 1-B 3 1 (water well)

Bentonite plug across casing stub at 150', water loaded into hole,
10 sk plug to set markers in, Made 3 fill water well, Rehab pit ~100'x100'x5'
bury trash.

(Use attachments if necessary)

RESULTS Will call back when set, gave a few numbers of ^{Service} ~~the~~ companies
in area.

(Use attachments if necessary)

CONTACTED BY: W. Erwin

COMPANY: DFU Water Rights DATE: 12-3-86 TIME: 10 am

PERSONAL CONTACT DOCUMENTATION

CONTACT: Bob Berger

CONTACT TELEPHONE NO: ~~DFU~~ Water Rights

SUBJECT: Wells 1-B + 1 of Commodore in Mitchell county

(Use attachments if necessary)

RESULTS water never appropriated, so wells must be plugged in
a condense with our Rules & Regs

(Use attachments if necessary)

CONTACTED BY: W. M. Man

COMPANY: Commodore R. DATE: 12-3 TIME: 9:48a

PERSONAL CONTACT DOCUMENTATION

CONTACT: Carl Dearden; local Rancher

CONTACT TELEPHONE NO: 855-2341

SUBJECT: Commodore Resources 1 1/2 1-B

is submitting bid to do job

pumpin water well is not his, belongs to Drilling Co.

(Use attachments if necessary)

RESULTS will contact, & need more info.

(Use attachments if necessary)

CONTACTED BY: W^{ny} Elton

COMMODORE RESOURCES CORP.
150 East 58th Street
Suite 3400
New York, New York 10155

RECEIVED
DEC 08 1986

DIVISION OF
OIL, GAS & MINING

December 3, 1986

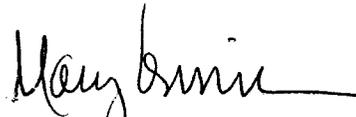
State of Utah
Dept. of Natural Resources
Oil, Gas & Mining Division
355 W. North Temple
3 Triad Center-Suite 350
Salt Lake City, Utah 84180-1203
ATTN: Mr. Baza

Dear Mr. Baza,

Recently our office received your request for the plugging and lease restoration work needed in Millard County on the Needles Anticline #1B well site.

Since this well was drilled prior to 1982, all obligations associated with it are part of the Chapter 11 bankruptcy and are not an obligation of the present administration of Commodore Resources Corp.

Very truly yours,



Mary Irwin
Geologist

MI:cam
cc: Jack Losse



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

December 29, 1986

M E M O R A N D U M

TO: John R. Baza
FROM: William Moore
SUBJECT: Problems With Wells Operated by Commodore Resources Corp.

This memorandum presents a report of the history and current status of wells operated by or associated with Commodore Resources, survivor of merger with Ensign Gas and Oil Corporation and in Joint Venture with Needle Exploration Company.

As implied in Commodore's letter to this Division on 12-03-86 they refuse to accept responsibility of the wells drilled prior to 1982 due to Chapter 11 bankruptcy. This is the result of over two years of negotiations, leaving two unplugged wells and minor cleanup left to do on another plugged well, all on State Lands that were drilled by this company itself or in Joint Venture with others.

Commodore does however, have a lease bond for the lease affected by the above mentioned wells (ML-29648) in the name of Ensign Gas and Oil Co. (now merged with Commodore) on file with State Lands and Forestry for the amount of \$5,000 in the form of a Treasury Note.

WM/sb
0357T-1-13

Lease Summary

Lease No.: ML-29648

Description: All Sec. 16, T24S, R19W, SLM., 640 ac.

Action:

6- 8-73 Lease approved for assignment to Wilburn J. Gould.

6-24-74 Assigned to Needle Exploration Co., Inc., P.O. Box 143, Ely, NV. 89301 by Wilburn Gould, 5% orr reserved.

6-10-74 Approved Drilling Bond.

6- 9-80 Assigned to Reef Oil Corp., P.O. Box 143 Ely, NV. 89301 by Needle Exploration.

9-21-81 Assn. of a .032845% working interest to L.A. Sherman, 284 E Tropicana #40, Las Vegas, NV. 89109 by Reef Oil Corp.

4-12-82 Assn to Commodore Resources Corp., 57 West 200 South, Suite 503, S.L.C., UT., 84101 by Reef Oil Corp.

8- 2-82 Assn. 1% OVRP to Larry A. Newman by Commodore.

8- 2-82 Assn. 1 1/2% OVRP to Larry Abrams by Commodore.

7- 5-83 Expired.

Attachment I

Individual Well Summary

Well Name: Needle Anticline #1-B

API No.: 43-027-30011

Location: 1980' FNL, 2030' FWL, Sec.16, T.24S,
R.19W, Millard County, Utah.

Initial Operator: Needle Exploration Company, Inc.
Larry A. Newman, President, APD filed
12-29-75.
Lease ML-29648 Assigned to Commodore
Resources Corporation on 4-07-82 and
accepted all covenants and obligations
of the lessee.

Current Operator: Commodore Resources Corporation
34th Floor, 150 East 58th Street
New York, New York 10155
Ms. Mary Erwin, Geologist.

Lease No.: ML-29648

Currant Status: Operations Suspended, hole drilled to
2407' and cased to 150'. Large reserve
pit and site not rehabilitated.

Bond Status: Needle Exploration submitted a \$5,000
Cashiers Check on 6-10-74. This check
has not been found by State Lands and
Forestry.

Ensign Gas and Oil Company submitted a
\$5,000 Treasury Note on 12-31-80
(CD# 1556). This Note is currantly on
file with State Lands and Forestry.

Inspection History:

2- 4-76	Inspected by Ronald W. Daniels, Coordin- ator of Mined Land Reclamation.
2- 9-76	Inspected by Patrick L. Driscoll, Chief Petroleum Engineer.
6-11-76	Inspected by Patrick L. Driscoll.
5-10-78	Inspected by Patrick L. Driscoll.
12-12-78	Inspected by Patrick L. Driscoll.

Individual Well Summary (continued)

5-15-85 Inspected by Dorothy Swindel and John Baza with Mr. Freund (Consultant with Commodore Resources), and Mr. Carl Dearden (Local Rancher) in attendance.

9-11-86 Inspected by William Moore, no changes found.

Correspondence History:

12-29-75 APD submitted by Needle Exploration

1-13-76 APD approved

2- 9-76 Inspection Report: Drilling ahead. Safety violations. Notified Industrial Commission on 2-06-76.

2-17-76 Inspection Report: Safety hazards, inform Industrial Commission.

2-19-76 Sundry Notice: Set 150' of surface casing and drilled down to 2407'. Ran dip meter and released rig.

3-22-76 Sundry Notice: Dip meter results. Preparing to move in larger rig to drill to Guilmette Formation.

4-28-76 Sundry Notice: Preparing to continue drilling.

6-11-76 Inspection Report: No activity, trashy or extreemly messy.

9-22-76 Letter from DOGM to Needle Exploration for failure to file Monthly Reports.

10- 2-76 Sundry Notice: Waiting on Rig (WOR), Operations Suspended (OPS).

11- 5-76 Sundry Notice: OPS, WOR.

2- 3-77 Sundry Notice: OPS, WOR.

5-18-77 Sundry Notice: OPS, WOR and seismic tests.

Individual Well Summary (continued)

6-10-78 Inspection Report: No activity. Lease
reassigned to Larry Newman from Gould.

8-18-78 Letter from DOGM to Needle Exploration
for failure to file Monthly Reports.

9- 1-78 Sundry Notice: WOR.

11-14-78 Sundry Notice: WOR, OPS.

12-12-78 Inspection Report: No sign of activity.

12-20-79 Letter from DOGM to Needle Exploration
for Completion Reports.

3-17-80 Letter from DOGM to Needle Exploration
for failure to file Monthly Reports.

3-18-80 Sundry Notice: Making preparations to
deepen well to 10,500'.

11-24-80 Letter from DOGM to Needle Exploration
for failure to file Monthly Reports.

6-23-81 Letter from DOGM to Needle Exploration
for failure to file Monthly Reports.

2- 3-82 Letter from DOGM to Needle Exploration
for failure to file Completion Reports
and logs.

5-18-82 Letter from Special Assistant Attorney
General to Needle Exploration for
failure to file logs and Monthly
Reports.

6-08-82 Letter from State Lands and Forestry to
Commodore Resources Corporation
approving assignment of lease from
Reef Oil Corporation to Commodore.

6-22-82 Letter from Special Assistant Attorney
General to Commodore Resources for
failure to file transfer of ownership,
Monthly Reports, designation of
operator, and new bond.

Individual Well Summary (continued)

- 7-26-82 Letter from Commadore to DOGM denying responsibility for reports previous to their ownership and sending copy of transfer.
- 8- 9-82 Letter from Commodore to DOGM regarding status of well.
- 11-18-82 Letter from DOGM to Commodore for operator name change and Monthly Reports.
- 3-10-83 Letter from DOGM to Commodore for operator name change and Monthly Reports.
- 4-11-83 Letter from Thomas Wolter and Asso. for Commodore for Plugging Orders.
- 5- 3-83 Letter from DOGM to Wolter and Asso. for Commodore with Plugging Orders.
- 12-29-83 Letter from DOGM to Wolter and Asso. for Completion Reports, plugging, and operator name change.
- 2- 3-84 Letter from Thomas Wolter and Asso. informing DOGM that Commodore filed for bankruptcy and that he has no information.
- 2-10-84 Conversation: Sandy Bates, DOGM with Alex Boulton, Commodore where Commodore would check and see if they are legally responsible for plugging well and if so proceed in sping '84.
- 10-11-84 Conversation: John Baza called Ms. Nancy Hagar of Commodore who says company is reorganizing and she will look into the matter of the well.
- 5- 3-85 Conversation: John Baza talked with Ms. Hagar again who said Mr. Freund, consulting geologist, has been hired to take care of problem.

Individual Well Summary (continued)

- 5-15-85 Inspection Report: Well not plugged. No sign. Barrel covers wellbore. Pit still open. Commodore to discuss action later.
- 8- 9-85 Sundry Notice: Commodores proposed plugging procedures approved by DOGM on 8-21-85.
- 9-11-86 Inspection Report: No sign, Well bore covered by barrel in sump, site trashy, reserve pit left unrehabilitated and unfenced. Well very deep to water surface. Pictures taken.
- 10- 2-86 Conversation: William Moore, DOGM with Mr. Losse, Commodore and found out that files went to Mr. Karlick, 34th floor, 150 E. 58th Street, N.Y., N.Y., 10155.
- 10- 3-86 Conversation: William Moore, DOGM with Mary Erwin, Commodore geologist about all wells on lease. She was not aware of wells and would get back to us later.
- 11-17-86 Letter from DOGM to Commodore about our concern about this well.
- 12- 3-86 Conversation: William Moore, DOGM with Mary Erwin, Commodore geologist with plugging orders for 1-B, and 1. She indicated they will commence plugging once they get bids from companies in the area.
- 12- 3-86 Letter from Commodore to DOGM denying responsibility to plug wells.

Problem Summary:

Commodore refused to accept responsibility of plugging the well, rehabilitation of the well site, and submittal of the reports.

Recommended Action:

Ask for Board review and hearing to request State Lands and Forestry to foreclose on the bond of Ensign Gas and Oil Co. to fund the plugging and rehabilitation of this well and the others on this lease. In addition, Division sanctions against any future permits by this company is in order.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

CC:
Well File - State 16-6
(16-95-17E, Duchesne)
Well File - Gerald Young Ranch 1
(30-15-6E, Summit)
Well File - Needles Anticline State 1-B
(16-245-19W, Millard)
Well File - Bitter Creek Unit C3-2
(2-105-21E, Uintah)
Well File - Harrison Fed. 31-1
(31-205-24E)
PxA

September 23, 1988

TO: Ron Firth John Baza
 Gil Hunt Steve Schneider
 Arlene Sollis Jim Thompson

FROM: Don Staley

RE: The New Well Review Committee

Congratulations. You have just been selected to be a member of the newest of the Division's many committees: The Well Review Committee. The mission of this committee will be to join our collective talents to resolve various problems associated with old wells. Approximately once a month we will attempt to assemble ourselves to review approximately 5 problem wells. Our first meeting is scheduled for Wednesday, October 5, at 1:30 p.m. Below is a rough outline of the procedures we will be following.

1. The Administrative Supervisor will select approximately 5 wells for review.
2. The Well History and Activity Group Supervisor will review the following for each well:
 - The well file for historical data
 - The bonding status of fee and state lease wells
 - The computer, cardex, etc. files for consistency of data
3. The Well History and Activity Group Supervisor will then prepare a summary history of each well from data in the well file and present it to the Administrative Supervisor for review.
4. After the Administrative Supervisor reviews the well histories and determines that the wells are still legitimate problem wells, an announcement of the next Well Review Committee meeting will be made and a copy of the well histories will be sent to the Committee members.
5. After the well histories have been distributed, the following should take place:
 - The Lead Inspector should assure that inspections of the subject wells have recently been done or will be done prior to the next Well Review Committee meeting if at all possible.

- The Technical Group will determine if well bore diagrams, maps, or other technical aids or data would be useful in the review process.
6. The Well Review Committee will then meet and discuss each well using the following agenda:
- Review - A review will be made of wells discussed at the previous committee meeting to determine what progress has been made and what further action must be taken.
 - New Wells - The Well History and Activity Group Supervisor will present a history of each of the new wells being reviewed.
 - The Lead Inspector will present any data found in the inspection of the wells.
 - The Committee will discuss the wells and determine what options are available to the Division.
 - A decision will be made as to what action is to be taken.
 - If record keeping only is required, the Well History and Activity Group will handle the problem.
 - If problems other than record keeping are involved, the Associate Director will determine who will handle the problem, what course of action will be taken, and a deadline for the planned action.

All well files, bond information, maps, etc., should be brought to the meeting for review if needed.

Presently, I have a very long list of old problem wells that should eventually be reviewed. Most of these are wells that were spudded but never completed. If any of you run across additional problem wells, feel free to let me know and I will add them to the list. You will find the histories of the wells to be reviewed at our first meeting attached to this memo.

I hope that this committee will provide us with the mechanism to clean up some of the old headaches that have been haunting the Division for years. Thanks for your help.

Attachments

cc: DRN

0464T-30-31

CKM RESOURCES - (ACTIVE OPERATOR) STATE 16-6 - SE SW Sec. 16, T.9S, R.17E, DUCHESNE CO. 1817' FNL, 1981' FWL - STATE LEASE - \$5,000 BOND IN PLACE - API #43-013-31145

1. Well permitted December 13, 1985.
2. Spudded December 19, 1985 - dry hole digger - set 8 5/8" casing at 300'
3. Waiting on rig and weather 2/3/86 to 6/4/86
4. Letter requesting extension of drilling permit. Letter was answered by JRB explaining the well had been drilled that no approval was needed to suspend operations.
5. Inspection report from Glen Goodwin on March 30, 1988, stated that the location was built, pit dug. Pit was dry, no fence. Surface set w/bucket over top.

(New) COMBINED OIL & GAS, INC. - (not active operator) GERALD YOUNG RANCH #1 - SE SW Sec. 30, T.1S, R.6E - SUMMIT CO. - 1078' FSL, 1686' FWL - FEE LEASE - BLANKET BOND OF \$50,000 (not valid) - API #43-043-30049

1. Well permitted April 19, 1977.
2. Spudded August 3, 1977, drilled approx. 66'. Water & boulders encountered at all drilling levels.
3. Drilling progresses slowly. Loss of drill stem and tools down hole on Sept. 9, 1977, not recovered. Water encountered at all levels and drilling only to 88'. Tools recovered. Surface casing set and cemented at 232'. A memo to file dated June 13, 1979, stated that a small trailer-mounted rig moved on location. Stuck in hole at 1800'. Inspection was made June 25, 1979, and found crew had left water running into the well bore over the weekend. Water was rushing from the annulus under the drilling table, and over the top of the mud tanks. Reserve pond was filled and washed out into the nearby fields spreading much of its wastes and chemicals outside the location. Water was shut off by driller. Letter was written regarding this incident and was reported that the location was cleaned up within 24 hours of spill. Memo to file on August 29, 1979, rig had been moved off and well had been capped but not plugged. Letter written January 9, 1980, by attorney Paul N. Cotro-Manes, that the well should be properly plugged and abandoned and the lease was terminated as of that date. Well drilled to TD of 1956' May 10, 1980, well to be TA status. Change of operator to Sid Tomlinson was made November 10, 1982. (Change of operator not entered in computer or card file.) Letter was sent to Sid Tomlinson by John Baza requesting that well be properly plugged and abandoned. Plugging orders from John Baza were signed June 10, 1987.

NEEDLES EXPLORATION COMPANY - (NOT ACTIVE OPERATOR) - NEEDLES ANTICLINE STATE 1-B - SE NW Sec. 16, T. 24S, R. 19W - MILLARD CO. - 2030' FWL, 1980' FEL - STATE LEASE - API #43-027-30011 - (CASHIER'S CHECK UNDER THE NAME OF NEEDLES EXPL. FOR \$5,000 ACCEPTED 6-10-74; TREASURY NOTE FOR SAME LEASE UNDER THE NAME OF ENSIGN GAS & OIL COMPANY FOR \$5,000 FROM 8-1-80 to 12-31-80 - NO BOND ISSUED FOR COMMADORE RESOURCES)

1. Well approved January 13, 1976.
2. Casing set January 30, 1976.
3. Safety hazards observed & reported to the Industrial Commission.
4. Operations suspended in February, 1976, waiting on rig.
5. As of June 22, 1982, Larry Newman, President, Needles Exploration Company, informed this office that Commadore Resources assumed interest in the Needle Anticline well.
6. On August 21, 1985, a proposed P & A procedure was signed by JRB.
7. Follow-up letter dated November 17, 1986, was sent by JRB to Commadore Resources that the well remains unplugged and unmarked and the site unreclaimed.

DEKALB AGRICULTURE - (NOT ACTIVE OPERATOR) BITTER CREEK UNIT 63-2 - NE NE Sec. 2, T. 10S, R. 21E - 1650' FNL, 1564' FEL - UINTAH COUNTY - STATE LEASE - API #43-047-11477 - STATEWIDE BOND RELEASED 10-9-67, LEASE CANCELLED JANUARY, 1965)

1. Approved March 10, 1954, in the name of General Petroleum Corporation
2. Well spudded March 12, 1954
3. Drilled to TD 4921' - Abandoned July 8, 1954
4. Plugging orders given August 25, 1955
5. Changed operator to Havenstrite Oil Company
6. Letter from State Lands dated March 10, 1969, regarding lease being operated by De Kalb of Illinois and General Petroleum Corporation as operator of the well, have relinquished and quit claimed all rights, title and interest in and to said lease and well to the State of Utah in lieu of plugging same to surface; and the State of Utah, acting by and through the Division of State Lands, desires to take over said well with the express understanding and agreement that the taking over of such well will not restrict operations of said lease.
7. Inspection was made by Carol Kubly on May 1, 1987. She stated that the well was producing water and gas. No valves, no gauges. Gas and water bubbling out of top of well head running down draw to stock pond roughly 200-250' away.

THOMAS D. HARRISON - HARRISON FEDERAL 31-1 - Sec. 31, T. 20S, R. 24E
360' FNL, 300' FEL - GRAND COUNTY - FEDERAL LEASE
API #43-019-30339

- PAK
1. Well permitted February 23, 1977 for oil production only.
 2. Well spudded November 19, 1979 and completed December 14, 1979 as a shut-in oil well. Open hole completion. Well had a good show of oil in the Brushy Basin at 615' five feet below the cemented casing. Oil soon turned to water. Suspect the water is coming from a bad (if any) cement job on the old Pumpelly Stava 31-81 well 30 feet away. Have suspended operations until appropriate action can be taken to open up the old 31-81 well, drill it out & re-cement to hopefully shut off the water.
 3. Contacted BLM in Moab and their records show this well to be P & A'd as of September 22, 1985. The Resource Area has reviewed the site on September 8, 1988 and rehabilitation of the area is in order.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

October 21, 1988

Mr. Ed Bonner
Division of State Lands and Forestry
355 West North Temple
3 Triad Center, Suite 400
Salt Lake City, Utah 84180-1250

Dear Mr. Bonner:

Re: Old Wells: State 16-6 (API 43-013-31145); Needle Anticline 1-B (API 43-027-30011); Bitter Creek Unit 63-2 (API 43-047-11477)

The Oil and Gas Section of this Division recently organized a well review committee to review and resolve various problems associated with old wells. In a recent meeting, three wells were discussed that are located on state leases. It was determined by the committee that the Division of Oil, Gas and Mining has exhausted all of its options in attempts to resolve the problems associated with these wells.

This is to advise that responsibility now rests with the Division of State Lands and Forestry, as lessor, to determine what actions should be taken with these wells. Brief histories of the three referenced wells are attached. The DOGM stands prepared to offer any assistance possible. We would appreciate hearing your conclusions as soon as possible. Your attention to this matter is appreciated.

Sincerely,

Don T. Staley
Administrative Supervisor

tc

Attachments

cc: D. R. Nielson
R. J. Firth
J. R. Baza
S. L. Schneider
G. L. Hunt
A. W. Sollis
J. L. Thompson

WELL: State 16-6
API: 43-013-31145
LOCATION: SENW 16, T9S, R17E (1817 FNL 1981 FWL)
OPERATOR: CKM Resources

Permitted December 3, 1985 to CKM Resources. Spudded December 9, 1985. Well drilled to 300' and surface casing set and cemented. CKM requested a one year extension of APD on November 5, 1986. CKM requested another one year extension of APD on November 18, 1987. Their letter stated, "...The necessity of the extension has developed because of the depressed economic condition of the industry which hinders the venture capital market. CKM is presently conducting negotiations with another company and a brokerage firm to formulate a merger. This action will enable CKM to complete the well in the coming year with company funds. Since the lease is held by production from three other wells the status of the lease will not be affected by the permit extension..." DOGM letter to CKM Resources dated 12-9-87 states, "Because the well has already been spudded and surface casing set, no approval is needed for you to suspend operations on the well. You should contact the Division of State Lands and Forestry to ensure that such a suspension of operations will not violate any conditions of the mineral lease." No further correspondence in file. A DOGM inspection performed March 30, 1988 shows that the location was built, a pit was dug which is currently dry and has no fence, and the surface casing was set and currently has a bucket over the top of it.

WELL: Needle Anticline 1-B
API: 43-027-30011
LOCATION: SENW 16, T24S, R19W (1980 FNL 2030 FWL)
OPERATOR: Commodore Resources (?)

Permitted January 13, 1976 to Needle Exploration Company. October 2, 1976 sundry shows well drilled to 2407'; waiting on drilling rig. Assignment of Lease form dated 4-6-82 shows assignment to Commodore Resources Corp of SLC (form was approved by State Lands 4-12-82). DOGM letter dated 6-22-82 to Commodore demands that status reports, a proper designation of operator, a transfer of interest, and a new bond be submitted. DOGM letter to Commodore dated 11-18-82 states, "This office is receiving reports on the above well from your company. We have not received any information stating that your company is now operator of this well...We have no information on the drilling of this well since August 1982." Letter to DOGM from Thomas Wolter & Associates dated 4-11-83 states, "Commodore Resources asked me to contact you regarding the plugging and abandonment of the above captioned well. This well was drilled several years ago and the records are sketchy. Would you please review the state well files and make a recommendation as to how commodore resources should properly plug and abandon the well." DOGM letter dated 5-3-83 to Thomas Wolter outlined PxA procedures. Letter to DOGM from Thomas Wolter & Associates dated 2-3-84 states, "...in April 1983, Commodore Resources was a client of mine. They asked me to find the status of the well...Commodore Resources has since filed for bankruptcy. I have been unable to determine if they are the operator of this well or whether someone else is. I don't believe that they drilled the well." Commodore sundry dated 8-9-85 shows proposed PxA procedure. DOGM letter to Commodore dated 11-17-86 states, "As a followup to a recent conversation between yourself and Mr. William Moore, of the DOGM, I am sending you a copy of the notice of intent to abandon the subject well. The procedure was mutually agreed upon by a representative of your company and this Division. As of this date, the well remains unplugged and unmarked and the site unreclaimed. Because of the substantial length of time that the well has remained in its current state, it is a serious concern to the Division. Please contact this office immediately concerning your intent regarding the subject well." No further correspondence in file. Inspection performed 9-11-86 stated that a barrel top covers the well bore; very deep well; site trashy; open reserve pit; no rehab yet.

WELL: Bitter Creek Unit 63-2
API: 43-047-11477
LOCATION: NENE 2, T10S, R21E (1650 FNL 1564 FEL)
OPERATOR: State of Utah (?)

Permitted March 10, 1954 to General Petroleum Corporation. Spudded March 12, 1954. Drilled to 4921'. Abandoned (temporarily) July 8, 1954. Sundry dated 8-24-55 shows intent to plug and abandon well. Assignment of Water Well dated 6-9-56, shows assignment from General Petroleum to Havenstrite Oil Company and states that the water is to be used only for drilling purposes and the well is to be plugged within 90 days after ceasing to use it for drilling water. Release of Water Well dated 3-7-69 and signed by the director of the Division of State Lands states that the State of Utah, acting by and through the Division of State Lands, desires to take over the well. DOGM letter dated 8-24-78 to Mobil Oil Corp requests Mobil to submit a form OGC-1b to update our files. No further correspondence in file. Inspection performed 5-1-87 shows no valves; no gauges; gas and water bubbling out of top of well head, running down draw to stock pond roughly 200-250' away.

COMMODORE

July 11, 1989

Commodore Environmental
Services, Inc.

57 West South Temple
Suite 410
Salt Lake City, Utah 84101-1504
(801) 521-6400

Division of State Lands and Forestry
Suite 400, #3 Triad Center
Salt Lake City, Ut 84180-1204

801-355-7260

Re: ML 29648

Att: Edward Bonner

Dear Mr. Bonner:

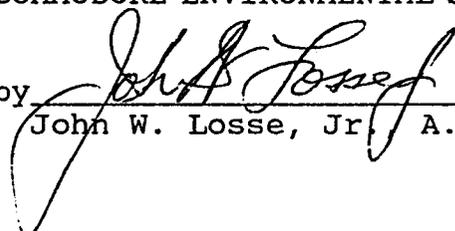
In accordance with instructions of Mr. Johnson of the Minerals Division and your secretary I am writing to request release of 9 7/8% Treasury Note in the amount of \$5000.00, receipt of which was acknowledged by letter of the Division of State Lands, Department of Natural Resources, dated August 1, 1980, and signed by P.D. Miller. Mr. Johnson has confirmed that said Note is in his possession, and that referenced lease has expired.

Commodore Environmental Services, Inc. is the surviving corporate entity of Ensign Oil and Gas Company. Ensign was merged into Commodore Resources Corporation on November 21, 1980 by an exchange of stock. Following Chapter 11 Bankruptcy proceedings in 1982 and 1983, Commodore's name was changed to Commodore Environmental Services, Inc. on June 27, 1987.

This office continues to serve Commodore in connection with predecessor stock exchanges and various oil and gas and mineral matters.

Very truly yours,

COMMODORE ENVIRONMENTAL SERVICES, INC.

by 
John W. Losse, Jr., A.S.


JWL:lpm

WELL REVIEW COMMITTEE

PLACE ATTACHED DOCUMENT IN WELL FILE

	SEC	TWP	RNG	COUNTY	OPERATOR
STATE 16-6	16	09S	17E	DUCHESNE	CKM RESOURCES
GERALD YOUNG RANCH 1	30	01S	06E	SUMMIT	COMBINED OIL & GAS
NEEDLES ANTICLINE STATE 1B	16	24S	19W	MILLARD	NEEDLES EXPLORATION
BITTER CREEK 63-2	2	10S	21E	UINTAH	DEKALB AGRICULTURE
HARRISON FEDERAL 31-1	31	20S	24E	GRAND	THOMAS HARRISON
ANSCHUTZ RANCH EAST 6-30U	30	04N	08E	SUMMIT	ANSCHUTZ CORP
STEPHEN SZOT 1	19	14N	01E	CACHE	DELTA PETROLEUM CORP
STEPHEN SZOT 2	19	14N	01E	CACHE	DELTA PETROLEUM CORP
NORDEEN 1-A	6	42S	19E	SAN JUAN	SAN JUAN MINERALS
NATURAL BUTTES UNIT 82N4	26	09S	21E	UINTAH	COASTAL OIL & GAS
DONALD B GREEN 1	9	11N	06E	BOX ELDER	WEM PETROLEUM
LAMAR BOWEN 1	2	12N	02W	BOX ELDER	ZEPKO INC
GOLDEN RIGBY 1	15	13N	02W	BOX ELDER	ZEPKO INC
STATE 16-3	16	20S	21E	GRAND	CHARLES SILENGO
STATE 5-16	16	20S	21E	GRAND	CHARLES SILENGO
STATE 6-16	16	20S	21E	GRAND	CHARLES SILENGO

Well Name	First Discussed (done) <input checked="" type="checkbox"/>	
State 16-6 43-013-31145	10-5-88 <input type="checkbox"/>	Sent letter to Ed Bonner 10-21-88. Talked to Ed 11-16-88. Said he's working w/CKM Resources to resolve. No further info.
Gerald Young Ranch 1 43-043-30049	10-5-88 <input type="checkbox"/>	Letter signed by DRN was sent - returned to sender in Dec. Naylor has agreed to sign check when we give him written release of obligation.
Needles Anti-cline State 1-B 43-027-30011	10-5-88 <input type="checkbox"/>	Sent letter to Ed Bonner 10-21-88. Talked to Ed 11-16-88. Said he's checking w/St. Lds. attorney to see if CD can be used to reclaim location. No further info.
Bitter Creek 63-2 43-047-11477	10-5-88 <input type="checkbox"/>	Sent letter to Ed Bonner 10-21-88. Talked to Ed 11-16-88. Said he hasn't looked into this well yet but didn't think they could do anything with it. No further info.
Harrison Fed 31-1 43-019-30339	10-5-88 <input checked="" type="checkbox"/>	Well was reported plugged. No committee action required.
Anschutz Ranch East 6-30U 43-043-30177	11-22-88 <input type="checkbox"/>	At meeting, AWS said we might be getting a WCR. JLT was planning to send inspector to check it. RJF said if Anschutz doesn't have any wells we ought to call them and release bond if desired. AWS to handle
Stephen Szot 1 43-005-30009	11-22-88 <input type="checkbox"/>	JLT handling. Well tied up in court. We can do little until resolved. JLT to send copy of his correspondence covering situation to well file.
Stephen Szot 2 43-005-30010	11-22-88 <input type="checkbox"/>	JLT handling. Well tied up in court. We can do little until resolved. JLT to send copy of his correspondence covering situation to well file.
Nordeen 1-A 43-037-30128	11-22-88 <input type="checkbox"/>	Committee decided on 11-22-88 that well's computer status should be changed from OPS to SOW so well would show up on San Juan Mineral's TAD. Done 11-25-88.
Natural Buttes 82N4 43-047-31236	11-22-88 <input type="checkbox"/>	According to report sent in, well may be PxA'd. JRB will check it out and report back at next meeting.
	<input type="checkbox"/>	

WELL REVIEW COMMITTEE - Notes
Meeting held 11-22-88

Well File
Needles Anticline 1-B
(16-245-19U
Millard Co.)

Reviewed progress on wells presented to Committee at 10-5-88 meeting:

- * State 16-6 (API 43-013-31145)
Sent letter to Ed Bonner of State Lands on 10-21-88. Advised State Lands that they, as lessor, are responsible for the final resolution of this wells problems. Met with Ed Bonner on 11-16-88. He said that he is currently working with CKM Resources to get the problems on this well resolved.
- * Gerald Young Ranch 1 (API 43-043-30049)
According to research performed by Arlene Sollis, a \$5000 certificate of deposit exists for the well which expire mid-January, 1989. She has contacted both Mr. Naylor (Combined Oil and Gas) and Mr. Sid Tomlinson (claims to be the new operator). Neither party seems to be doing much to resolve the problem. Tomlinson has been in touch with John Baza in the past few weeks to talk about plugging the well. In the meantime, the Committee feels that there isn't much we can do other than try to get a replacement bond before the certificate of deposit expires in January. Don Staley was asked to write a letter to the operator of record - Naylor - and tell him he is still responsible for the well until the new operator get a bond and that we will call him before the board if he doesn't comply.
- * Needles Anticline 1-B (API 43-027-30011)
Sent letter to Ed Bonner of State Lands on 10-21-88. Advised State Lands that they, as lessor, are responsible for the final resolution of this wells problems. Met with Ed Bonner on 11-16-88. He said that he is checking with State Land's attorney to see if they can use a certificate of deposit that's on file for the well to reclaim the location.
- * Bitter Creek Unit 63-2 (API 43-047-11477)
Sent letter to Ed Bonner of State Lands on 10-21-88. Advised State Lands that they, as lessor, are responsible for the final resolution of this wells problems. Met with Ed Bonner on 11-16-88. He said that he hasn't done anything with this well yet, but felt there probably isn't anything State Lands would be able to do. Don Staley was asked at this meeting to show some inspection pictures to Ed which show how messy the location is.
- * Harrison Federal 31-1 (API 43-019-30339)
This well was PxA'd. No committee action required.

Discussed new wells:

- * Anschutz Ranch East 6-30U (API 43-043-30177)
Ron Firth requested that Amoco's W30-06 be fixed to reflect the correct name of W30-06A in order to prevent confusion with the Anschutz well. Don Staley checked the Amoco well file and found that Amoco had actually changed the name of the well to the W30-06. So, no action was taken on that matter. According to conversations that Arlene Sollis had with Amoco and Anschutz, the well may be plugged. Anschutz is supposedly sending in a plugging report to us. Jimmie Thompson will send an inspector out to check it out. Ron Firth said that if Anschutz doesn't have any more wells we ought to let

them know that we will relinquish the bond if they request it. They can then get a new bond if they drill more wells.

- * **Stephen Szot 1 (API 43-005-30009)**
Mrs. Szot visited Jimmie Thompson about 6 months ago to discuss all the legal problems concerning this well. The law suit between the Szots and Delta Petroleum is still in progress. Jimmie was in touch with attorney Alan Bachman who said there was nothing the Division can do. Jimmie will be sending a copy of a letter he has prepared concerning this matter to the well file.
- * **Stephen Szot 2 (API 43-005-30010)**
Same as Stephen Szot 1 above.
- * **Nordeen 1-A (API 43-037-30128)**
It was concluded by the Committee that the main thing that needs to take place concerning this well is to get San Juan Minerals to accept responsibility for the well. San Juan (formerly Williams Ranches) said that they took over the wells from Shiprock Oil, but didn't receive any records and weren't too sure what they bought. The Committee concluded that the well's computer status ought to be changed from OPS to SOW so that the well would begin showing up on San Juan's 'turn-around document'. In doing some research, Don Staley found three other San Juan Minerals wells that fall into this same scenario: Utah Southern 1 (API 43-037-30101), Nelwyn Nordeen 3 (43-037-30108), and the Nordeen 2-A (API 43-037-30161). Don Staley gained Ron Firth's approval to have them begin showing up on San Juan's report also. A memo was sent to Tami Searing and Lisha Romero to change the necessary data in the computer to have the wells begin showing up on the 'turn-around document'.
- * **Natural Buttes Unit 82N4 (formerly NBU 82J) (API 43-047-31236)**
According to reports that have been sent in on this well, the well may have been PxA'd. John Baza will check on this and report back at the next Well Review Committee meeting.

Also discussed:

- * John Baza proposed the need for us to push for new legislation or a rule change that makes it possible for ownership of old fee and state lease wells to revert back to the surface owner after a certain length of time if problems cannot be resolved. John Baza will do some research on how other states handle this problem and return to the Committee with some proposals.
- * The feasibility of setting up Field files was discussed. It was concluded that the Administrative group would be in charge of filing such materials, and that some filing cabinets for that purpose would be set up in Millie Sollis' old office. Millie's old office will become a file room overflow area. The Unit files, Plant files, and any other miscellaneous files of that nature may be housed there.
- * It was decided that we ought to be more conscientious about sending information to the well file and that the Telephone Documentation Form ought to be used more. Don Staley will look into updating the form, making it a 'portrait' form instead of a 'landscape' form, and making the form more available.

DTS (11-23-88)

cc: R.J. Firth
J.R. Baza
S.L. Schneider
G.L. Hunt
A.W. Sollis
J.L. Thompson

Well File - State 16-6 (16-9S-17E, Duchesne Co.)
Well File - Gerald Young Ranch 1 (30-1S-6E, Summit Co.)
Well File - Needles Anticline State 1-B (Millard Co.) *16-245-194*
Well File - Bitter Creek Unit 63-2 (2-10S-21E, Uintah Co.)
Well File - Harrison Federal 31-1 (31-20S-24E, Grand Co.)
Well File - Anschutz Ranch East 6-30U (30-4N-8E, Summit Co.)
Well File - Stephen Szot 1 (19-14N-1E, Cache Co.)
Well File - Stephen Szot 2 (19-14N-1E, Cache Co.)
Well File - Nordeen 1-A (6-42S-19E, San Juan Co.)
Well File - Natural Buttes Unit 82N4 (26-9S-21E, Uintah Co.)
Well File - Utah Southern 1 (7-42S-19E, San Juan Co.)
Well File - Nelwyn Nordeen 3 (5-42S-19E, San Juan Co.)
Well File - Nordeen 2-A (6-42S-19E, San Juan Co.)

WELL REVIEW COMMITTEE - Notes
Meeting held 10-5-88

Discussed new wells:

- * State 16-6 (API 43-013-31145)
Committee determined there is little that DOGM can do. CKM operates four other wells in the area that may hold this particular lease - well may not need to be plugged at this time. Don Staley was asked to write letter to Ed Bonner of State Lands to advise him that it is up to the lessor (i.e., State Lands) to decide what they want to do with this well.
- * Gerald Young Ranch 1 (API 43-043-30049)
Committee's opinion is that there is little that the DOGM can do. John Baza brought up the point that other states have rules that turn wells such as this one back to the land owner after so many years. Arlene Sollis reported that there is a \$5000 cashiers check on this well, but it may only be valid for 7 years. Arlene was asked to investigate the check to see if it is something the DOGM could cash in on to plug the well. Will review at next meeting.
- * Needles Anticline 1-B (API 43-027-30011)
Committee determined there is little that DOGM can do. Don Staley was asked to write letter to Ed Bonner of State Lands to advise him that it is up to the lessor (i.e., State Lands) to decide what they want to do with this well.
- * Bitter Creek Unit 63-2 (API 43-047-11477)
Committee determined there is little that DOGM can do. Don Staley was asked to write letter to Ed Bonner of State Lands to advise him that it is up to the lessor (i.e., State Lands) to decide what they want to do with this well.
- * Harrison Federal 31-1 (API 43-019-30339)
Arlene Sollis reported that we have been notified that this well has been plugged. No action required by Well Review Committee.

DTS (11-23-88)

cc: R.J. Firth

Well File - State 16-6 (16-9S-17E, Duchesne Co.)
Well File - Gerald Young Ranch 1 (30-1S-6E, Summit Co.)
Well File - Needles Anticline State 1-B (16-24S-19W, Millard Co.)
Well File - Bitter Creek Unit 63-2 (2-10S-21E, Uintah Co.)
Well File - Harrison Federal 31-1 (31-20S-24E, Grand Co.)

2-5-91- John Lasse w/ Federal Resources Corp.
355-7260

Re: Needles Exploration - Needles Anti-Cline, 1-B

well file #43-027-30011 Sec 16 24S-19W - Millard County.

- Wants to know what is needed to plug well and reclaim well site.

- Says Rancher Carl Decker maybe interested in doing reclamation. 801-855-2341

- Checked w/ Ed Bonner State Lands, will check to see if this is indeed the well in question.

Things to Do:

- Need check the depth of fresh water zone. *Per DJ no water to worry about JML*
- Do site inspection. JB + M.H. 2-27-91
- work up plugging program.

2-22-91

Frank:

State Lands wants
a plugging program
for this well.

Jim
2.

March 5, 1991

This well was originally assigned API #43-027-30008. This number belongs to the Monroe Fee #1, T. 20S R. 2W Sec. 14. The wrong API number, 43-027-30007, has been put on several sundry notices. Both of these numbers are wrong. This well is the Needle Anticline 1-A, #43-027-30010.

#43-027-30009	Needle State #1
#43-027-30010	Needle Anticline 1-A
#43-027-30011	Needle Anticline 1-B

March 5, 1991

This well was originally assigned API #43-027-30010. At some unknown time, this number was changed to #43-027-30011, and should remain that way.

#43-027-30009	Needle State #1
#43-027-30010	Needle Anticline 1-A
#43-027-30011	Needle Anticline 1-B

BEAM →

PIT (OPEN)

MOUSE HOLE

NEEDLE ANTICLINE
55 GAL DRUM OVER
1 3/8 CASING. I-E

CELLAR
BOARDS ON
THIS SIDE

WATER
SUPPLY WELL



NEEDLE STATE #1

DRY
HOLE
MARKER



FEDERAL ANTICLINE #1 F



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

43-027-30011

OPS

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

March 13, 1991

Mr. John W. Losse, Jr.
Commodore Environmental Services, Inc.
57 West South Temple, Suite 410
Salt Lake City, Utah 84101-1504

Dear Sir:

Re: State Lease ML 29648

Mr. Ed Bonner has requested I write you regarding the bond release on the referenced lease. The bond cannot be released until the Needles Anticline #1-B well is plugged, the location leveled, and a marker installed. Plugging and abandonment is covered in the Oil and Gas Conservation General Rules R615-3-24.

In order to facilitate this matter, I have attached a plugging program for the well. The Oil and Gas Division should be notified 24 hours prior to the beginning of the work at 538-5340. We will be happy to assist you in any way we can.

Yours truly,

Frank R. Matthews
Petroleum Engineer

ldc

cc: Ed Bonner, State Lands & Forestry
R.J. Firth, Associate Director, Oil and Gas

WO11

PLUGGING PROGRAM - NEEDLES ANTICLINE B-1
March 13, 1991

NOFICHE

1. MIRU water well drilling rig or equivalent
2. Clean out to 200'
3. Spot approximate 100' plug of bentonite gravel*
4. Load hole with mud or water
5. Spot 20 sk cement plug at surface
6. Erect dry hole marker with well information inscribed
7. Clean & level location

*Bentonite gravel is same material used in plugging seismic holes and can be purchased in sacks.

Needle Antelma 1-B -
150' of 1/4" rope

.9711 ft³/ft.
145.66

12 1/4" rope to 240'

.8185 cu/ft. = 1847 ft³ = 1993 ft³

~~19 yds~~ 27
75 yds

~~Needle~~ Needle 240' #1

45-027-5000

~~10 3/4" rope~~

(7" rope 250')

.2273 ft³/ft

6 ft³ 3 yds

See Ed Benner
About this on
Monday.

Needle
150

10-28-91-

12 1/4"

Ed Benner will
begin to have hard
pull.

Call him.

(1) Need program
winded. exp.

(1)

12 1/4" rope

100
4.50
4450

Needle Anticline 1-B - - .9711 ft³/ft.
 150' of 14" eqg. 145.66

12 1/4" hole to 2407'

.8185 cu/ft. = 1847 ft³ = 1993 ft³

7 yds 27
75 yds

~~Needle~~ Needle State #1 43-027-30009

10 3/4 eqg ✓

7" 20" @ 350' -
 ✓

.2273 ft³/ft

79.6 ft³ 3 yds
 27 =

Needle Anticline 1-B.
 150' of 14" eqg.

12 1/4" hole to 2407'

12 1/4" hole

100' plug -

100 sk. Beaker
Swell plug

18.8' (20')

IMPORTANT MESSAGE

FOR Jimmie T.
 DATE 10/10 TIME 250 A.M.
P.M.
 M Jack Losse
 OF Fed Resources Corp. ml-29648
 PHONE 355-7260
AREA CODE NUMBER EXTENSION

TELEPHONED	<input checked="" type="checkbox"/>	PLEASE CALL	<input checked="" type="checkbox"/>
CAME TO SEE YOU	<input type="checkbox"/>	WILL CALL AGAIN	<input type="checkbox"/>
WANTS TO SEE YOU	<input type="checkbox"/>	RUSH	<input type="checkbox"/>
RETURNED YOUR CALL	<input type="checkbox"/>	SPECIAL ATTENTION	<input type="checkbox"/>

MESSAGE Re: bond on
Commander Resources

5,000

9/10/11 - msg! 8:30

9:45 - ml-29648 / Ed Bonner referred him to

J.T. add'l rehab or plugging?

SIGNED Cinnie G **OVER**

LITHO IN U.S.A.

OBC 1B-
Sundry.

Carl Deardon - Plugging

He will call back Tuesday
with a legal description
of well.

He wants to know if J.T. knows
any particular companies that
do plugging / rehab or if the
state has a company that
does such work?

(See J.T. when he calls)
back w/ info.

Needles Ant. 1B T. 19W

Sec. 16 R. 245



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

May 5, 1994

Jack Losse
Federal Resources Corporation
P.O. Box 806
Salt Lake City, Utah 84001

Dear Mr. Losse:

Per our conversation of May 3, 1994, enclosed is the well plugging and abandonment procedures information you requested for the Needle Anticline State 1-B and the Needle State #1 wells.

If you have any further questions or concerns please contact me at (801)538-5340.

Yours truly,

A handwritten signature in cursive script that reads "F. R. Matthews".

F. R. Matthews
Petroleum Engineer

ldc
Enclosures
cc: R.J. Firth, Associate Director
Ed Bonner, State Lands and Forestry
Well file
WOI54



PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

Well File NEEDLE ANTICLINE 1-B
NEEDLE STATE #1
(Location) Sec 16 Twp 24S Rng 19W
(API No.) 43-027-30011/43-027-30009

Suspense
(Return Date) _____
(To - Initials) _____

Other
OPERATOR FILE
VLC - FYI
FRM - FYI
RJF - FYI

1. Date of Phone Call: 9-5-95 Time: 3:00

2. DOGM Employee (name) L. CORDOVA (Initiated Call)
Talked to:

Name ED BONNER (Initiated Call) - Phone No. (801) 538-5508
of (Company/Organization) TRUST LANDS ADMIN.

3. Topic of Conversation: COMMODORE RESOURCES CORP. (2 WELLS LISTED ABOVE)
(ML-29648)

4. Highlights of Conversation:
ED ASKED THAT THE DIVISION STOP MAILING THE MONTHLY OIL AND GAS PROD. REPORT
TO COMMODORE RES. FOR THE WELLS LISTED ABOVE. TRUST LANDS IS IN THE PROCESS
OF GETTING THE WELLS PLUGGED AND ABANDONED. THEY HAVE PULLED THE BOND THAT
WAS IN PLACE AND ARE AWAITING A PLUGGING PLAN FROM FRANK MATTHEWS OF THE DIV.
FINAL ABANDONMENT IS EXPECTED SOON.

DELETED MAILING ADDRESS: COMMODORE RESOURCES CORP.

C/O FEDERAL RESOURCES

BOX 806 (JLOSSE)

SALT LAKE CITY UT 84110

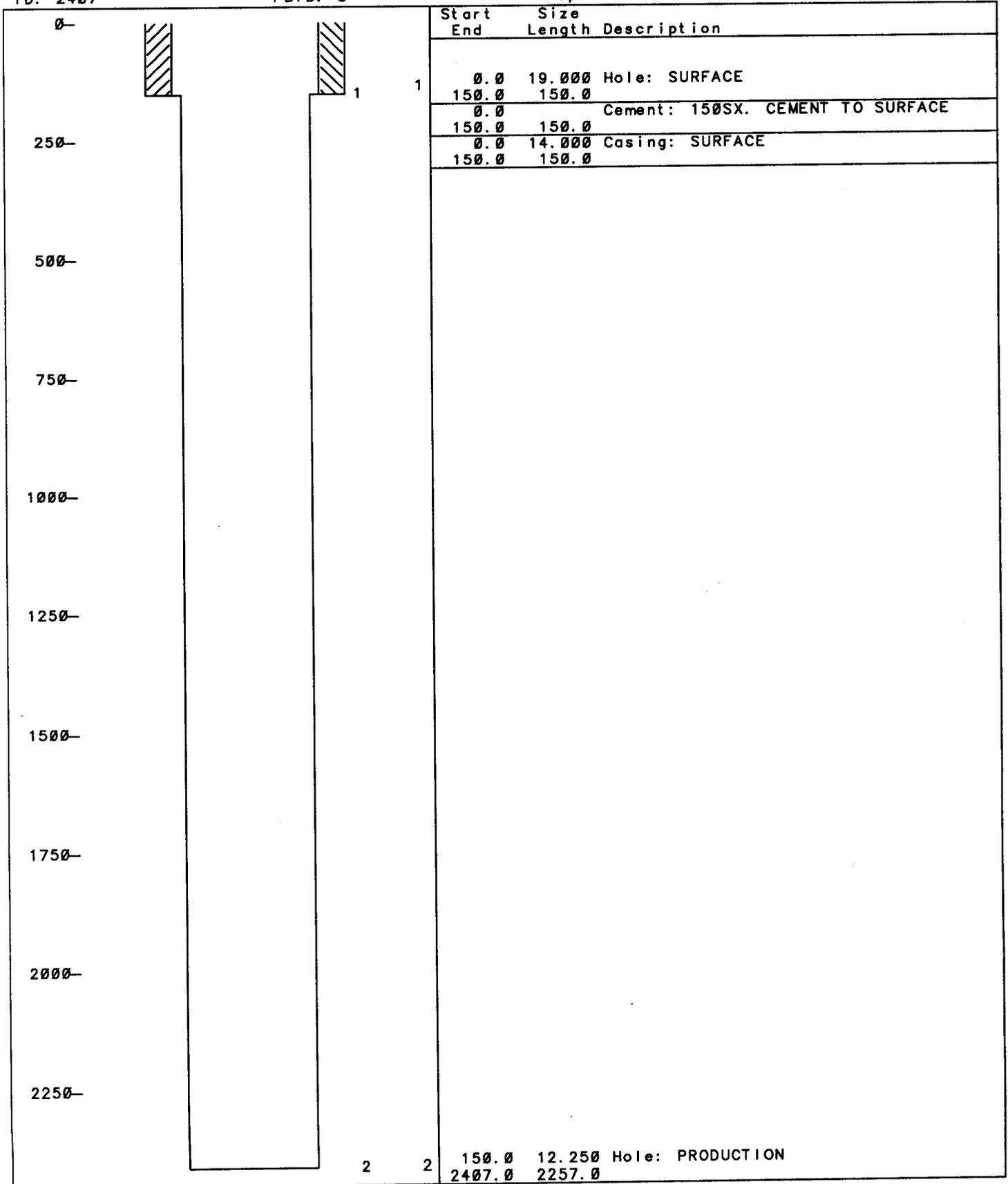
(801)355-7260

*UPDATED INDIVIDUAL WELL DATA ON SYSTEM.

Lease: NEEDLE-ANTICLINE
 Well #: 1-B

API #: 43-027-30010-
 Location: Sec 16 Twn 24S Rng 19W
 County: MILLARD
 State: UTAH
 Field: WILDCAT
 Operator: COMMODORE RESOURCES

Spud Date: 01/00/1976 Comp Date: 00/00/00
 KB: 0 ELEV: 56000
 TD: 2407 PBD: 0



PLUG AND ABANDONMENT PROCEDURE

Needle Anticline State 1-B
Section 16, T24S, R19W
Millard County, Utah

Well Data:

Location: 1980' FNL 2030' FWL
Total Depth: 500'
Casing: 13 3/8"

Procedure:

The Division shall be notified 24 hours prior to the start of plugging operations.

1. MIRU well service unit.
2. GIH to 500'
3. Set 100' balanced cement plug, WOC TAG PLUG.
4. POOH to 50' below bottom of surface casing. @ 200' set 100' balanced cement plug.
5. POOH set 10 sx plug @ surface. Install dry hole marker with legal identification.
6. Remove debris, level disturbed area around dry hole marker.

PROJECT WORK ORDER #2000-02
ATTACHMENT B - WELL PLUGGING AND RECLAMATION PROCEDURES

03/23/00

Needle Wells Millard County – 2 on 1 Location

Note: All cement volumes use 100% excess outside pipe and in open hole and 50' excess inside pipe.

Needle State #1, API# 43-027-30009

SE/4, NW/4, (1980' FNL and 1980' FEL), Section 16, T-24-S, R-19-W, SLM
Wildcat Well (drilled 1974)

1. Comply with all DOGM and Utah State OSHA safety regulations. Conduct safety meeting for all personnel on location daily.
2. Using pole and pulley system, winch or other suitable means, remove electric submersible pump along with ancillary tubing, rope and power cable from well (est. length of 250')
3. RIH with coiled-tubing rig ("CTR") tubing to bottom of hole estimated at 350'. Mix approximately 10 bbl of viscous bentonite mud (approx. 25 #/bbl Wyoming bentonite, 8.69 #/gal) with cedar fiber LCM and spot as balanced mud plug from 350' to 100'. Allow time for mud to set up. Circulate hole at 100 feet. Go to Step 6.
4. **Plug #1 (Surface Plug, 100' to ground level):** Mix approximately 20 sxs Class B cement and spot balanced plug from 100' to surface with CTR tubing. WOC.
5. Cut off 7 " casing at surface and top off with cement as necessary.
6. Install standard State P&A marker. RD, Move to Needle State #1-B.

Needle State #1-B, API# 43-027-30011

SE/4, NW/4, (1980' FNL and 2030' FWL), Section 16, T-24-S, R-19-W, SLM
Wildcat Well (drilled 1974)

1. Comply with all DOGM and Utah State OSHA safety regulations. Conduct safety meeting for all personnel on location daily.
2. Excavate around surface casing as required.
3. RIH w/CTR tubing to maximum depth. Load hole from maximum depth to 100' with mud as described above. Allow time for mud to set up. Circulate hole at 100 feet.
4. **Plug #1 (Surface Plug, 100' to ground level):** Mix approximately 100 sxs Class B cement and spot balanced plug from 100' to surface with CTR tubing. WOC.
5. Top off 7 " casing at surface with cement as necessary, install standard State P&A marker, backfill as required.
6. Clean location and level pit and seed pit area.

UCS Item	Description	Type	Units	Quantity	Unit Cost	Subtotal
A	WORKOVER RIG LABOR AND EQUIPMENT					
A1	4-man crew travel, RT to/from loc., inc. vehicle & wages	---	\$/day	2	\$220	\$440
A2	Ops. Super./Cementer inc. trans., pager, & cellular	---	\$/hr	20	\$55	\$1,100
A3	Double-Triple Rig w/BOPE, rams, strip and swab tools	---	\$/hr	0	\$200	\$0
A4	Drilling package w/PS, mud pit and triplex pump	---	\$/hr	0	\$50	\$0
A5	Water storage and flow tanks	---	\$/day	2	\$80	\$160
A6	Tubing work string rental	---	\$/day/ft	0	\$0.20	\$0
A7	Standby time - crew and support equipment	---	\$/hr	0	\$120	\$0
A8	Coiled Tubing Rig	---	\$/hr	20	\$50	\$1,000
B	CEMENTING SERVICES					
B1	Balanced plug inc. fluids and testing	---	\$/plug	2	\$550	\$1,100
B2	Surface plug inc. fluids and testing	---	\$/plug	2	\$520	\$1,040
B3	Pump charge - plug not set	---	\$/hr	0	\$400	\$0
B4	API Class B or H cement - FOB location	---	\$/sk	120	\$14	\$1,680
B5	API Class B or H cement w/ 2% CaCl - FOB location	---	\$/sk	0	\$14.50	\$0
B6.1	Cement Retainer - 4.5 ", Type 1 or 2	N/A	\$/ea	0	\$850	\$0
B6.2	Cement Retainer - 5.5 ", Type 1 or 2	1	\$/ea	0	\$870	\$0
B6.3	Cement Retainer - 6.625 ", Type 1 or 2	N/A	\$/ea	0	\$1,160	\$0
B6.4	Cement Retainer - 7 ", Type 1 or 2	N/A	\$/ea	0	\$1,160	\$0
B6.5	Cement Retainer - 7.625 ", Type 1 or 2	N/A	\$/ea	0	\$1,350	\$0
B6.6	Cement Retainer - 8.625 ", Type 1 or 2	N/A	\$/ea	0	\$1,700	\$0
B6.7	Cement Retainer - 9.625 ", Type 1 or 2	N/A	\$/ea	0	\$2,000	\$0
B6.8	Cement Retainer - 10.75 ", Type 1 or 2	N/A	\$/ea	0	\$2,300	\$0
C	WIRELINE SERVICES					
C1	Travel to/from loc., inc. vehicle and wages	---	\$/mi	0	\$3.50	\$0
C2	Annular squeeze perms - HCS 3 1/8" or 4 ", 3 holes	---	\$/event	0	\$520	\$0
C3	Annular squeeze perms - Bi-Wire, 2 or 4 holes	---	\$/event	0	\$500	\$0
C4	Jet-cut casing, Type 1 or 2	N/A	\$/event	0	\$700	\$0
C5	Jet cut casing shot - Petrogel	---	\$/event	0	\$800	\$0
C6	Free point determination	---	\$/event	0	\$900	\$0
C7	Mast truck w/ driver	---	\$/hr	0	\$58	\$0
C8	Depth charge for gage rings, junk basket	---	\$/ft	0	\$0.16	\$0
C9.1	Cement Retainer 4.5 ", Type 1 or 2	N/A	\$/ea	0	\$650	\$0
C9.2	Cement Retainer 5.5 ", Type 1 or 2	N/A	\$/ea	0	\$650	\$0
C9.3	Cement Retainer 6.625 ", Type 1 or 2	N/A	\$/ea	0	\$1,160	\$0
C9.4	Cement Retainer 7 ", Type 1 or 2	N/A	\$/ea	0	\$950	\$0
C9.5	Cement Retainer 7.625 ", Type 1 or 2	N/A	\$/ea	0	\$1,050	\$0
D	TRANSPORTATION AND MISC. SERVICES					
D1	Winch truck w/ driver, inc. wages and mileage	---	\$/hr	0	\$78	\$0
D2	Water truck w/ driver, inc. wages and mileage	---	\$/hr	16	\$65	\$1,040
D3	2-axle rig-up truck w/ driver & helper, wages and mileage	---	\$/hr	0	\$110	\$0
D4	1-axle truck w/ driver, inc. wages and mileage	---	\$/hr	24	\$60	\$1,440
D5	Vacuum truck w/ driver, inc. wages and mileage	---	\$/hr	0	\$60	\$0
D6	Hot oiler, inc. eqpt., labor and mileage	---	\$/hr	0	\$100	\$0
D7	Welder, inc. eqpt., labor and mileage	---	\$/hr	4	\$50	\$200
D8	P&A Marker per Utah specs.	---	\$/ea	1	\$150	\$150
D9	Mud with cedar fiber LCM (25#/bbl WY Bent., 8.69 #/gal)	---	\$/bbl	110	\$4.00	\$440
D10	Per Diem inc. room and board	---	\$/man/day	15	\$60	\$900
E	THIRD PARTY CHARGES					
E1	Costs plus 15 %	---	\$	1.15	12000	\$13,800.00
					TOTAL	\$24,490.00
NOTES: E1 = Local water truck, local backhoe and scraper, and seed.						
Item A-8 new item, Item D9 revised.						
Needle State #1, API 43-027-30009 and Needle State #1-B, 43-027-30011						

Needle State #1, API# 43-027-30009
SE/4, NW/4, (1980' FNL and 1980' FEL),
Section 16, T-24-S, R-19-W, SLM
Millard County, Utah

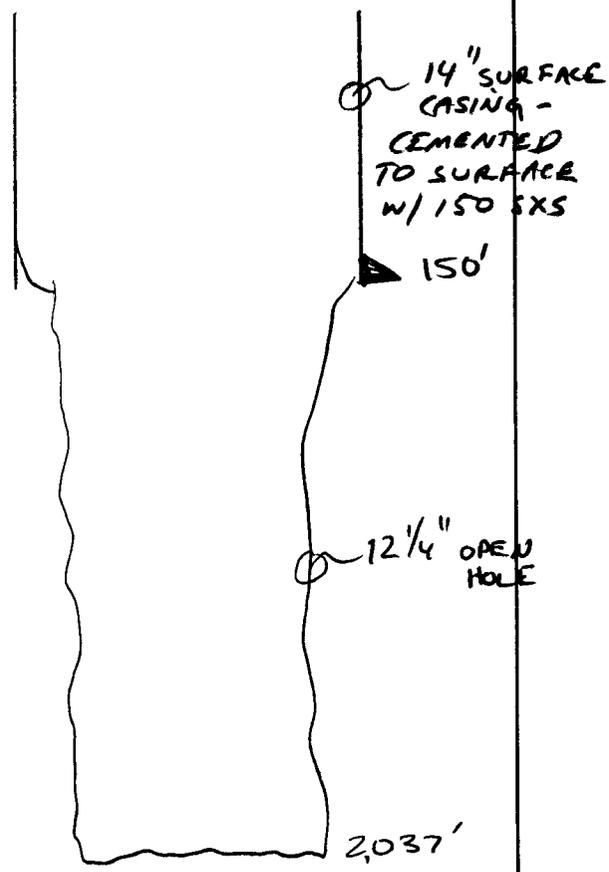
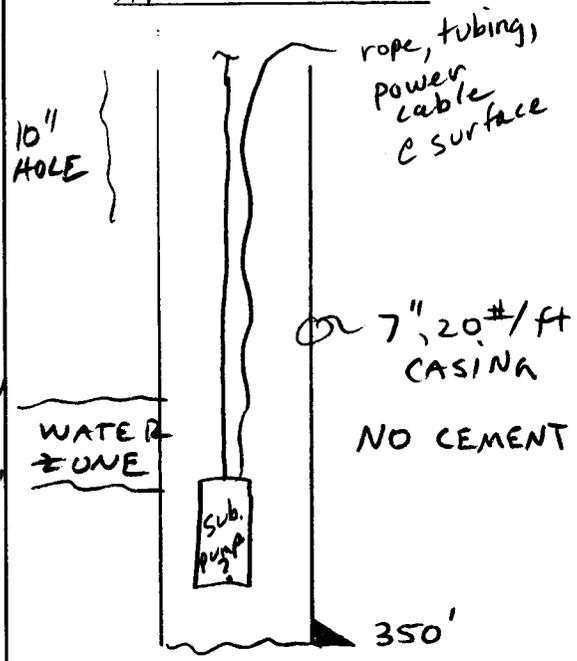


Needle State #1-B, API# 43-027-30011
SE/4, NW/4, (1980' FNL and 2030' FWL)
Section 16, T-24-S, R-19-W, SLM
Millard County, Utah



NEEDLE ST #1

NEEDLE ST 1-B



240
258

WATER ZONE

Sub. Pump

7" 20#/ft CASING
NO CEMENT

350'

14" SURFACE CASING - CEMENTED TO SURFACE W/ 150 SXS

150'

12 1/4" OPEN HOLE

2,037'

WELL SEARCH

WELL DATA

WELL HISTORY

WELL ACTIVITY

WELL NAME API NUMBER LEASE TYPE LEASE NUMBER

OPERATOR NAME OPERATOR ACCOUNT WELL TYPE WELL STATUS

FIELD NAME FIELD NUMBER ELEVATION ALT ADDRESS

COUNTY CONFIDENTIAL FLAG Q. S. T. R. M.

SURF LOCATION CONFIDENTIAL DATE TOTAL CUMULATIVE OIL

COORDS SURF N LA / PA DATE MM / DD / YYYY TOTAL CUMULATIVE GAS

COORDS SURF E DIRECTIONAL TOTAL CUMULATIVE WATER

COORDS BHL N INDIAN TRIBE CB-METHANE FLAG BOND NUMBER

COORDS BHL E MULTI-LEG COUNT SURF OWNER TYPE BOND TYPE

FIELD TYPE FLAG WILDCAT TAX FLAG C.A. NUMBER

COMMENTS

WELL SEARCH

WELL DATA

WELL HISTORY

WELL ACTIVITY

API NUMBER	4302730011	WCR RECD DATE		CHOKE	
APD RECD		PROD ZONE WCR		TUBING PRS	
APPROVAL DATE APD	1 13 1976	LOCATION TD WCR	1980 FNL 2030 FWL	CASING PRS	
SUNDRY INT RECD		COMPL DATE WCR	2 17 1976	OIL 24HR RATE	0
WORK TYPE		COMPL DATE SUNDRY		GAS 24HR RATE	0
AUTH CODE		DATE FIRST PROD		WATER 24HR RATE	0
WELL TYPE APD	OW	TOTAL DEPTH MD TVD	2407	GAS-OIL RATIO	0
LOCATION SURF APD	1980 FNL 2030 FWL	WELL TYPE REPORT		DIR SURVEY CORED DST	
LOCATION ZONE APD	1980 FNL 2030 FWL	WELL STATUS REPORT	TA	API GRAVITY	0
DEPTH APD	10000	PBTD MD TVD		LEASE NUMBER TYPE	ML-29648 3
PROD ZONE APD		TEST DATE		PROD METHOD TEST	
START DATE		PERFORATIONS		COMPLETION TYPE	
SPUD DATE DRY	1 30 1976	ZONE FLAG COMPLETION		LOG TYPES	
SPUD DATE ROTARY		DIRECTIONAL		APD EXT DATE	
RDCC REVIEW FLAG		WATER PERMIT		APD CONTACT NAME	
RDCC REVIEW DATE		CANCEL DATE		APD CONTACT PHONE	
UNIT NAME					

Get History

Create New Rec

Save

Cancel

Next Rec

Prev Rec

P

V1

D

V2

X

43-027-30011

From: Dustin Doucet
To: Garrison, LaVonne
Date: 3/25/2008 12:11 PM
Subject: Needles Wells

CC: Russell, Earlene; Staley, Don
LaVonne,

This is just an email to let you know that I have approved a change of the two Orphaned Needles wells (NEEDLE STATE 1 - API 4302730009 and NEEDLE ANTICLINE 1-B - API 4302730011) from TA to water monitor wells under jurisdiction of Water Rights. We will be changing the status in our system from TA to PA. The Utah Geological Society will be using these wells as part of their Snake Valley water monitoring program. We do not hold any bonds on these wells, but my notes show that you may still hold \$2500 for each well. As these wells will now be under the purview of Water Rights, DOGM will not require any bonds to be held on these wells. I know the UGS has supplied info to SITLA on this proposal and Tom Faddies had responded with an O.K., but I just wanted you to know about the changes in our database and the bonding situation. Let me know if you have questions. Thanks.

Dustin

Dustin K. Doucet
Petroleum Engineer
Utah Division of Oil, Gas and Mining
Oil and Gas Program
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

Phone: (801) 538-5281
fax: (801) 359-3940
email: dustindoucet@utah.gov



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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-29648
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: NEEDLE ANTICLINE 1-B
2. NAME OF OPERATOR: ORPHAN-NO RESPONSIBLE OPERATOR		9. API NUMBER: 4302730011
3. ADDRESS OF OPERATOR: CITY _____ STATE _____ ZIP _____		10. FIELD AND POOL, OR WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980 FNL 2030 FWL		COUNTY: MILLARD
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 16 24S 19W S		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Take over well as</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>water monitor well</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The Utah Geological Survey requests to assume responsibility and liability for this well to convert it to a ground-water monitoring well as part of its West Desert Ground-Water Monitoring Program. Please see the enclosure describing our plans for this site. The Utah Geological Survey has obtained approval for this plan from the State Institutional and Trust Lands Administration (surface rights owner), the State Engineer (monitor-well permit), and the Department of Environmental Quality (ground-water discharge approval) (see enclosures).

NAME (PLEASE PRINT) Richard G. Allis TITLE Director

SIGNATURE [Signature] DATE 3/17/08

(This space for State use only)

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

DATE: 3/25/08

BY: [Signature] (See instructions on Reverse Side)



JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Water Rights

MICHAEL R. STYLER JERRY D. OLDS
Executive Director State Engineer/Division Director

UTAH GEOLOGICAL SURVEY
1594 W NORTH TEMPLE
SALT LAKE CITY UT 84114

March 13, 2008

Needle Anticline 1-B

Dear Applicant:

RE: MONITOR WELL#: 0818003M00

Regarding your request to drill 1 MONITOR WELL(S), the anticipated drilling depths will exceed the minimum regulated and reporting depth of 30 feet, thereby requiring permission from the Division of Water Rights to proceed with this project.

The specifications outlined in your well project request dated March 13, 2008, meet the State Engineer's requirements and permission is **HEREBY GRANTED**. Therefore, this letter is your authorization to proceed with the construction of the well(s) in accordance with those specifications and with respect to the following provisions:

- 1) Small diameter casing is to be used in the construction of the well(s) and no more water is to be diverted than is necessary to determine the quality of the ground water by obtaining representative samples as required by the project.
- 2) The well(s) must be drilled by a currently licensed Utah driller and must be drilled in a manner consistent with the recommended construction standards cited in the Utah State Administrative Rules for Well Drillers.
- 3) The enclosed Driller (START) Card form must be given to the licensed driller for his submittal prior to commencing well construction. The other enclosed form is the 'Applicant Card.' It is **YOUR RESPONSIBILITY** to sign and return this Applicant Card form to our office upon well completion.
- 4) If complete information is not available in the initial application, it is the **APPLICANT'S RESPONSIBILITY** to provide, upon completion, descriptive locations of the wells referenced by course and distance from established section corners, e.g. *North 565 feet and West 1096 feet from the SE corner of Section 35, T2S, R5W, SLB&M.*
- 5) At such time as the well(s) are no longer utilized to monitor ground water and the intent of the project is terminated, the well(s) must be temporarily or permanently abandoned in a manner consistent with the Administrative Rules.

NOTE: Please be aware that your permission to proceed with the drilling under this authorization expires September 13, 2008.

Sincerely,

Ross Hansen, P.E.
Regional Engineer

APPLICANT CARD for Monitor WELL#: 0818003M00

IMPORTANT: THIS CARD MUST BE COMPLETED, SIGNED AND RETURNED BY THE WELL OWNER/APPLICANT AS SOON AS THE WELL IS DRILLED BY A LICENSED UTAH WATER WELL DRILLER.

OWNER/APPLICANT NAME: Utah Geological Survey
MAILING ADDRESS: 1594 W North Temple, Salt Lake City UT 84114.
PHONE NUMBER:
WELL LOCATION: S 1850' W 835' from N4 Cor, S16, T24S, R19W, SLB&M.
WELL UTM COORDINATES: Northing: 4290588 Easting: 240822
WELL ACTIVITY: NEW REPAIR () REPLACE () ABANDON ()
CLEAN () DEEPEN ()

WELL COMPLETION DATE: _____

NAME OF DRILLING COMPANY/LICENSEE: _____

Owner/Applicant Signature

Date

***COMPLETE, SIGN AND RETURN THIS PORTION UPON FINAL WELL COMPLETION - DO NOT GIVE THIS CARD TO LICENSED WELL DRILLER - YOU MUST RETURN IT.

STATE OF UTAH DIVISION OF WATER RIGHTS Phone No. 801-538-7416
Fax No. 801-538-7467

COMMENTS: _____

START/APPLICANT CARD INSTRUCTIONS: First, for each well, you must give a Driller (Start) Card to the licensed driller with whom you contract to construct the well. Second, it is your responsibility to sign and return this Applicant Card to this office immediately after completion of the well. **CAUTION:** There may be local health requirements for the actual siting of your well. Please check with the proper local authority before construction begins. See the enclosed sheet addressing construction information.

From: Tom Faddies
To: Hurlow, Hugh; Lowe, Mike; Mitchell, Tom
Date: 2/25/2008 9:36 AM
Subject: Re: SNAKE VALLEY MONITORING WELLS 2008

CC: Allis, Rick; Wilcox, Rick
have reviewed your revised list. No conflicts with SITLA minerals development. Please proceed and good luck!

>>> Hugh Hurlow 2/19/2008 2:49 PM >>>
Dear Tom et al.,

I have attached a list of proposed monitor wells on SITLA land in Snake Valley and surrounding areas for 2008. Please check this list as before and let me know if you see any problems. We hope to start at "The Cove" site in late March. This site will utilize an unplugged, 2400' deep, open oil well (Needle Anticline 1-B) as the pumping well for an aquifer test. At that site we would deepen and complete an existing well (Needle State #1) as a monitoring well and drill a new monitoring well to 2200' or so. This would require DOGM signing the well over to UGS with SITLA approval. The paperwork is in preparation but we want to run a chem sample first just in case...I have attached our work plan for that site.

I have also attached a summary table of work completed last year, all on SITLA land. The project's web page is: http://www.ugs.state.ut.us/esp/snake_valley_project/index.htm

I will present the results of the drilling at the Utah Water Users' Conference in St. George March 10 and 11, and at the Association of Engineering Geologists' meeting Thursday evening, March 13.

Thank You.

Hugh

Hugh Hurlow, Senior Geologist
Ground Water and Paleontology Program
Utah Geological Survey
1594 W. North Temple
Salt Lake City UT 84114
801-537-3385



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Utah Geological Survey

RICHARD C. ALLIS
State Geologist/Division Director

February 22, 2008

Rob Herbert
Division of Water Quality
Utah Department of Environmental Quality
288 North 1460 West
Salt Lake City UT 84116

Dear Mr. Herbert:

The Utah Geological Survey Ground Water Program is conducting a ground-water monitoring well drilling program in Utah's West Desert. The first phase of the program was completed in summer and fall 2007 and involved drilling monitoring wells at eight sites in Millard County, Utah. We are preparing for phase two of the program, which involves drilling monitoring wells on 12 sites and conducting an aquifer test on one site. The purpose of this letter and enclosures is to define how we will dispose of and/or contain the drilling fluids during construction, development, and aquifer testing of these wells to prevent impact to waters of the State of Utah and underground aquifers. We do not anticipate encountering any contaminated or poor quality ground water, nor do we plan to use any drilling additives that require off-site disposal. The enclosures further detail our program and should provide adequate information to assure the Division of de minimis impact according to the UPDES rule R317-8. If you require additional information or have any questions or comments, please contact me by telephone at 801-537-3347 or mail to the address below. Thank you.

Sincerely,

J. Lucy Jordan, P.G.
Hydrogeologist/Drilling Specialist

JLJ/jlj
Enclosures (2)



Snake Valley Ground-water Monitoring-Well Drilling Project

Disposal of drilling fluids, well water, and protection of the environment

Utah Geological Survey

February 22, 2008

Project Start date: March 10, 2008

Project End date: November 30, 2008 (estimate)

Purpose: Install 2- and 2.5-inch diameter ground-water monitoring wells into the basin-fill and carbonate-rock aquifers to monitor potential effects of local and regional ground-water pumping.

Site locations: The monitoring wells will be constructed on twelve drill sites (table 1, map) in western Utah. Sites 13 through 15 will have one to three 2-inch diameter monitoring wells completed at each site. Sites 2 through 11 and 16 through 37 will have two or three 2-inch diameter wells completed at different depths in one borehole.

The sites are all on undeveloped land having desert scrub vegetation. The sites are all relatively flat to gently sloping and drainage is good. No site is within 1000 feet of any perennial water course identifiable on a US Geological Survey 1:24,000 scale map. Drainage of drilling and well development fluids from the sites will be easily controlled by discharging via hoses to flat areas where water will be conducted as sheet flow until it infiltrates the permeable alluvial surface. The volume of water we will be discharging from the drilling sites will not be sufficient to flow to any perennial water course.

Well depths: The wells range in depth from 200 feet to 1500 feet and will penetrate two aquifers containing good-quality water. The total dissolved solids concentrations of all wells are expected to be less than 500 milligrams per liter, based on water-quality information from surrounding surface and well waters.

Drilling methods: Wells will be constructed according to Utah Division of Water Rights rules R655-4-9 and R655-4-13. The type of drilling method used will depend on the geologic conditions encountered in the hole. We anticipate using the mud rotary technique to advance the 7- to 10- inch diameter boreholes through the basin-fill material (unconsolidated to consolidated sand, gravel, silt, clay and volcanic rock). We anticipate using reverse circulation with water and polymer as the drilling fluids in consolidated rock. Water used in the drilling process will come from several local sources, all of which are drinking-quality ground water from wells.

Disposal of Wastes

During drilling: Both drilling methods use a tank, pump, and hose system to contain the drilling fluids for the duration of the drilling operation. A small amount of drilling fluids will be disposed of during drilling by land surface application with the rock chip cuttings near the drill site. Once the bore hole is drilled, water may be circulated in the borehole to thin the drilling mud before well installation. The thinned mud will be allowed to discharge onto the land surface in accordance with Utah Division of Water Rights rule R655-4-9.6. All drilling additives are NSF/ANSI Standard 60 certified and non-toxic to the environment. The drilling additives potentially used during this project include the following products manufactured by Baroid Industrial Drilling Products: Quik-Gel (finely ground bentonite added to water to create a water-based bentonite drilling mud), EZ-Mud (liquid polymer added to the drilling mud to stabilize the borehole), Quik-Trol (modified natural cellulosic polymer used to thicken the mud), and Quik-Foam (a biodegradable foaming agent to help lift cuttings). Any lost circulation material added will be non-organic as required by Utah Division of Water Rights rule R655-4-9.6.

Because of the distance of the drill sites to any water course, we do not anticipate needing to contain the muddy water; however if necessary, drainage will be controlled by either running hoses to flat areas far enough from the drainage to prevent muddy water from entering a drainage, or a small impoundment will be constructed near the drill site using bags of bentonite, hay bales, or sand bags to allow sediment to settle out before water is discharged. Under no circumstances will drilling fluid be discharged into ponds, lakes, streams, or canals.

The rock chip cuttings from the borehole will be separated from the drilling fluids at the mud tanks. At each hole, between 2 and 9 cubic yards of cuttings will be disposed of by spreading on the land surface near the drill site in accordance with Utah Division of Water Rights rule R655-4-9.6. The cuttings will be less than one-half-inch diameter pieces of gravel, sand, sedimentary rock, or volcanic rock and will not be of significantly different lithology than the surface sediments at the well site or near the well site. No adverse affects of spreading the cuttings around the drill site is anticipated. No contaminated strata or ground water will be encountered. A small amount of drilling fluid will be discarded with the cuttings.

During well development: After the monitoring wells are completed, water will be withdrawn from the well until the water contains no visible sediment. This typically takes 6 to 24 hours, depending on the amount of drilling fluid (mud) and fine sediment surrounding the perforated interval of the well. During this time, water with decreasing amounts of drilling fluid and silt will be evacuated from the well at a rate of 1 to 15 gallons per minute, typically. During the early hours of development, the water may contain significant mud and silt. Any development water appearing cloudy to the naked eye will not be allowed to flow into waters of the state. Because of the distance of the drill sites to any water course, we do not anticipate needing to contain the development water; however if necessary, drainage will be controlled by either running hoses to flat areas far enough from the drainage to prevent silty water from entering a drainage, or a small impoundment will be constructed near the drill site

using bags of bentonite, hay bales, or sand bags to allow sediment to settle out before water is discharged. We anticipate the water quality of the evacuated water to be good, and because of the small volume and limited duration, land application should be allowed under Utah Division of Water Rights rule R655-4-9.6 and Utah Division of Water Quality Rule R317-8-2.

Table 1: Year 2008 well drilling and aquifer test sites.

ID	Site name	Township, range, section, distance from section corner (ft)	General location	Land owner	UTM -NAD 83		
					Easting	Northing	Zone
2	Burbank	T23S R20W 25 N440 E500 SW	21 mi. S of Border Inn	US BLM	756468	4296602	11N
3	Northeast of Garrison	T21S R19W 32 N1350 W230 SE	10 mi. SE of Border Inn	Utah SITLA	240290	4315030	12N
8	Mormon Gap	T24S R19W 13 N1950 E1100 SW	24 mi. SE of Border Inn	US BLM	245360	4290205	12N
10	East of Cowboy Pass	T17S R16W 16 N390 W1165 S4	30 mi. NE of Border Inn	Utah SITLA	271123	4356070	12N
11	The Cove/NPA	T24S R19W 16 S1145 W900 N4	28 mi. SE of Border Inn	Utah SITLA	240802	4290803	12N
12	SE Little Valley	T19S R17W 36 nd	25 mi ENE of Border Inn	Utah SITLA	nd	nd	12N
13	Garrison Agricultural	T21S R19W 36 N200 W200 SE	N side of Garrison	Utah SITLA	237026	4314621	12N
14	Eskdale Agricultural	T20S R19W 16 S150 W150 NE	Near Eskdale	Utah SITLA	242122	4329216	12N
15	Southwest of Needle Point	T24S R20W 14 S1050 E225 NW	S of Burbank	US BLM	756538	4290922	11N
16	Southern Hamlin Valley	T32S R19W 36 nd	60 mi. WNW of Cedar City	Utah SITLA	nd	nd	12N
17	Southern Pine Valley	T30S R16W 32 nd	50 mi. NW of Cedar City	Utah SITLA	nd	nd	12N
18	Southern Wah Wah Valley	T29S R14W 02 nd	25 mi. drive from Milford	Utah SITLA	nd	nd	12N



State of Utah

Department of Environmental Quality

Richard W. Sprott
Executive Director

DIVISION OF WATER QUALITY
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Director

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Governor

GARY HERBERT
Lieutenant Governor

March 18, 2008

Ms. J. Lucy Jordan, P.G.
Utah Geological Survey
1594 West North Temple, Suite 3110
P.O. Box 146100
Salt Lake City, UT 84114-6100

Dear Ms. Jordan:

Subject: Snake Valley Monitoring Well Drilling Project
Ground Water Discharge Permit-By-Rule

The Division of Water Quality (DWQ) has reviewed your February 22, 2007 letter for the Utah Geological Survey (UGS) Snake Valley Ground Water Monitoring Well Drilling Project. Below is a summary of information contained in your letter.

The UGS will be installing ground water monitoring wells at 12 sites and conducting an aquifer test on one site in Utah's West Desert. Wells will be drilled to depths from 200 to 1,500 feet and will penetrate two aquifers containing high quality water expected to be less than 500 mg/l total dissolved solids based on water quality information from surrounding wells and surface waters. Drill cuttings will be separated from drilling fluid at the mud tanks, and between two and nine cubic yards of drill cuttings with diluted drilling fluid will be spread on the land surface near each drill site in accordance with Utah Division of Water Rights (DWR) rule R655-4-9.6. No adverse effects of spreading drill cuttings are anticipated, and all drilling additives are NSF/ANSI Standard 60 certified and non-toxic to the environment. Any lost circulation material added will be non-organic as required by DWR R655-4-9.6. Well development water may contain mud and silt during early pumping, but because of the high quality ground water coupled with the small volume; land application should be allowed under DWR R655-4-9.6 and DWQ R317-8-2. Aquifer test water is expected to be good quality and will be land applied at least 200 feet from the test well, and four miles from any perennial water bodies.

Based on the summary above, this project will have a *de minimis* actual or potential effect on ground water quality and qualifies for permit-by-rule in accordance with R317-6-6.2.21 and R317-6-6.2.25 of the Administrative Rules for Ground Water Quality Protection. If you have any questions, please contact me at 801-538-6038.

Sincerely,

Rob Herbert, P.G., Manager
Ground Water Protection Section

Cc: Jerry Olds, Division of Water Rights

F:\wp\PBR Letters\UGS West Desert Project PBR#2.doc

Development Plan for “The Cove” Aquifer-Test Site - Needle Anticline 1-B, western Millard County, section 16 T. 24 S. R. 19 W. SLBM

Utah Geological Survey

Introduction

As part of the Utah Geological Survey’s Snake Valley ground-water monitoring-well project, we propose to perform an aquifer test at a site about 25 miles south-southeast of Garrison in western Millard County, on SITLA land. Our plan includes using an open, orphaned oil-test well as the pumping well, deepening an already existing water-supply well associated with the oil-test well and using it as a monitoring well, and drilling one or two new monitoring wells. According to documents on file at the Utah Division of Oil Gas and Mining (DOG M), the Needle Anticline 1-B oil-test well is about 2407 feet deep, and open to the Permian-Mississippian age Ely Limestone over a depth range of about 1800 feet. The Ely Limestone is part of the “upper carbonate aquifer” of the eastern Great Basin, one of the principal interests of the UGS monitor-well drilling program. The depth and wide diameter of the well provide an exceptional opportunity to perform aquifer tests that stress the carbonate aquifer enough to achieve sufficient drawdown in nearby observation wells to calculate the aquifer parameters (hydraulic conductivity and storativity) of the carbonate aquifer. Such data are scarce in this part of the Great Basin and are critical to improve our understanding of the hydrogeology and ground-water flow systems of the region – one of the principal goals of this project.

Basic Data

Existing Wells

See attached maps and schematic cross sections from DOGM files. Based on a search of online records at the Utah Division of Water Rights, no water rights are associated with either well.

Needle Anticline 1-B

API Number: 43-027-30011

PLS Location: S 1815 W 685 N4 16 T. 24 S. R. 19 W. SLBM

Coordinates: Easting 240802m, Northing 4290803m UTM 12N NAD83

TD 2407’; static water level 215’

14” steel surface casing to 150’; 12¼” open hole to TD

Basin-fill sediment to 470’, Ely Limestone to 2270’, Chainman Shale to 2407’ based on lithologic drilling log in DOGM files.

Needle State #1

API Number: 43-027-30009

PLS Location: S 1850 W 835 N4 16 T. 24 S. R. 19 W. SLBM

Coordinates: Easting 240756m, Northing 4290791m UTM 12N NAD83

TD 350’ entirely in basin-fill sediment

7” steel casing to 350’

Development and Testing Plan

Procedures

1. Perform initial caliper and geophysical logs of Needle Anticline 1-B.
2. Grade and smooth surface surrounding Needle Anticline 1-B for safe access to well; install gravel or cement pad as necessary.
3. Remove existing pump from Needle State #1, air-develop, then perform single-well test discharging 25 to 250 gpm for 24 hours, using either existing pump or a rental pump. Water will be monitored and discharged as described in the "Discharge" section below.
4. In Needle Anticline 1-B, add additional cement to outside of 14 inch casing if necessary; ream hole from 150 to 500 feet to nominal 14 inches diameter; install and cement 12 inch steel casing within and below 14 inch casing to ~500 feet depth or 10 feet below contact between basin fill and bedrock as determined from geophysical logs. This procedure will hydrologically isolate the carbonate aquifer and allow installation of a pump below water level to perform aquifer test.
5. Run 12" bit to at least 2270 feet to ensure hole is open. Clean, flush, and circulate Needle Anticline 1-B. Run caliper and full suite of geophysical logs.
6. Install temporary pump in Needle Anticline 1-B and perform aquifer test, pump rate up to 500 gpm for 1 to 3 days, measuring drawdown in pumped well and in Needle State #1. Results will yield a preliminary transmissivity estimate for the Ely Limestone, to help design new monitor well(s). Water will be monitored and discharged as described in the "Discharge" section below.
7. Deepen Needle State #1 to about 520 feet; install piezometers (2.0" sch. 80 PVC, screen length 20') in lower part of basin fill and upper part of Ely Limestone; install appropriate seal 10 feet above and below the contact (i.e. seal will be at least 20 feet thick, centered on contact). Install locking steel cap on surface casing.
8. Using results of initial aquifer test (step 6), design, drill and construct one or two new monitor wells, 250 to 500 feet north of Needle Anticline 1-B, up to 2250 feet deep, having 1 or 2 piezometers each (2.0" PVC, screen length 20' to 40'). Install locking steel cap(s) on surface casing.
9. After water levels have stabilized, perform aquifer test: install temporary pump in Needle Anticline 1-B, pump at 500 to 1700 gpm at constant rate for up to 7 days; monitor all nearby wells. Water will be monitored and discharged as described in the "Discharge" section below.
10. Weld steel cap on top of 14 inch surface casing of Needle Anticline 1-B after all testing and monitoring is completed.

Discharge

During well rehabilitation and development, water will be discharged in accordance with methods for disposing of drilling fluids as described below.

Discharge of water is regulated by Utah Division of Quality Rule R317-8-2. During aquifer testing, water discharged by the pump will be disposed of by land application.

The pumped water will be routed at least 200 feet from the monitoring wells by a hose. Because the test site is more than 4 miles from any perennial water course, we will not be discharging to any lakes or streams. Water may reach ephemeral channels, but because the water quality will be good and suspended solids will be low, we do not anticipate needing to contain or dispose of the water in any particular way except in a manner to prevent erosion. We will prevent erosion at the discharge point using a combination of best management practices (BMPs) dictated by the volume of water being discharged, including but not limited to: 1) inducing sheet flow across heavy plastic sheeting, 2) lining a natural channel with boulders and cobbles immediately down gradient of the discharge point and creating check dams and sediment traps of straw bales, boulders, sand bags, and/or dead fall for the necessary distance from the discharge point to prevent erosion, 3) creating a temporary infiltration basin using straw bales, sand bags, and plastic sheeting to contain discharge until it can infiltrate, or other BMPs as necessary.

Time Frame

Steps 1 through 8 will occur from late March through early May 2008. Steps 9 and 10 will occur in July or August 2008.

Driller

United States Geological Survey (Steven Crawford), licence # 809. All U.S. Geological Survey drilling procedures comply with the National Environmental Policy Act.

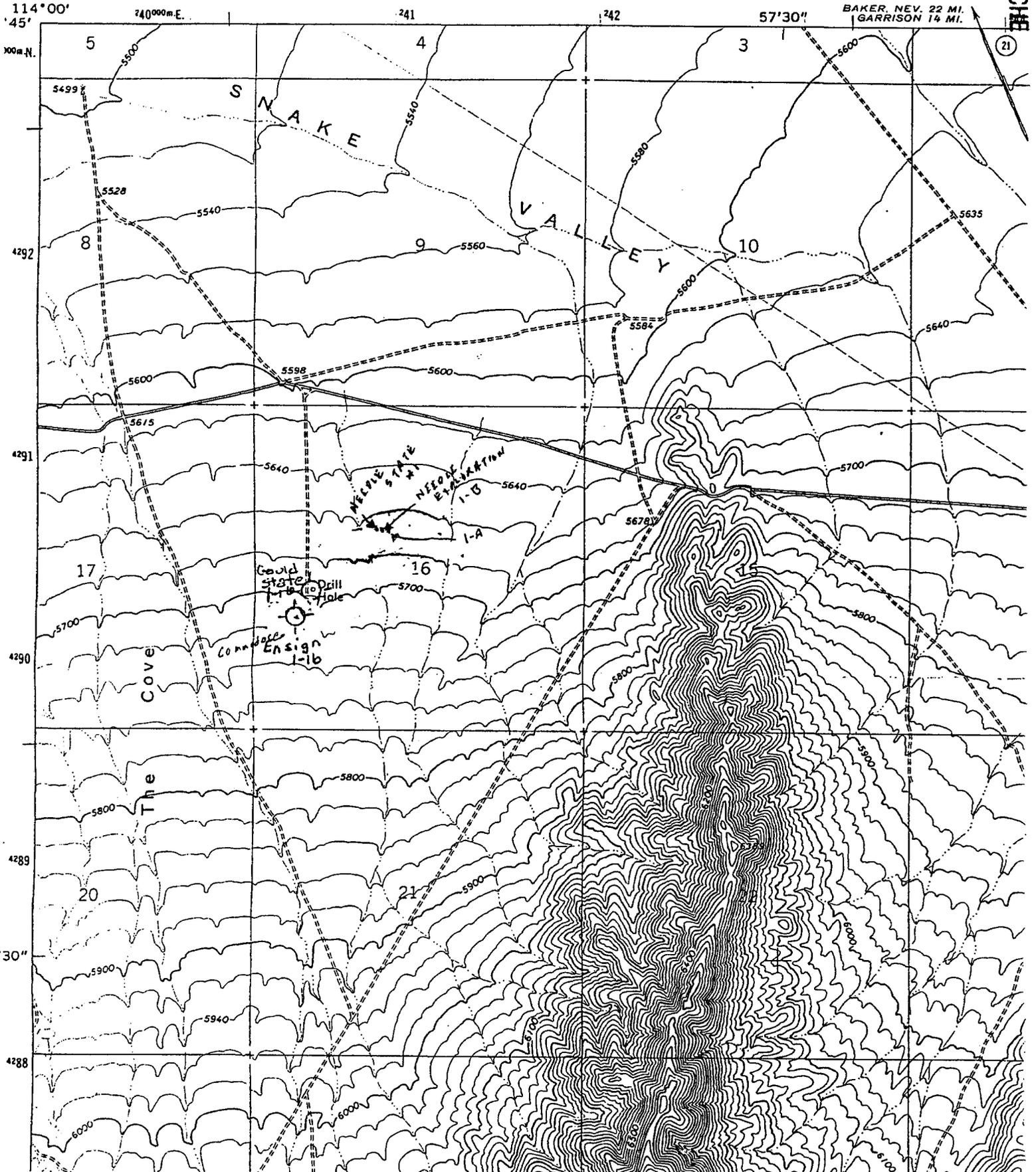
UGS Contacts

Lucy Jordan 537-3347

Hugh Hurlow 537-3385

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MICROFILMED



T.24 S., R.19 W., S.L.B.& M.

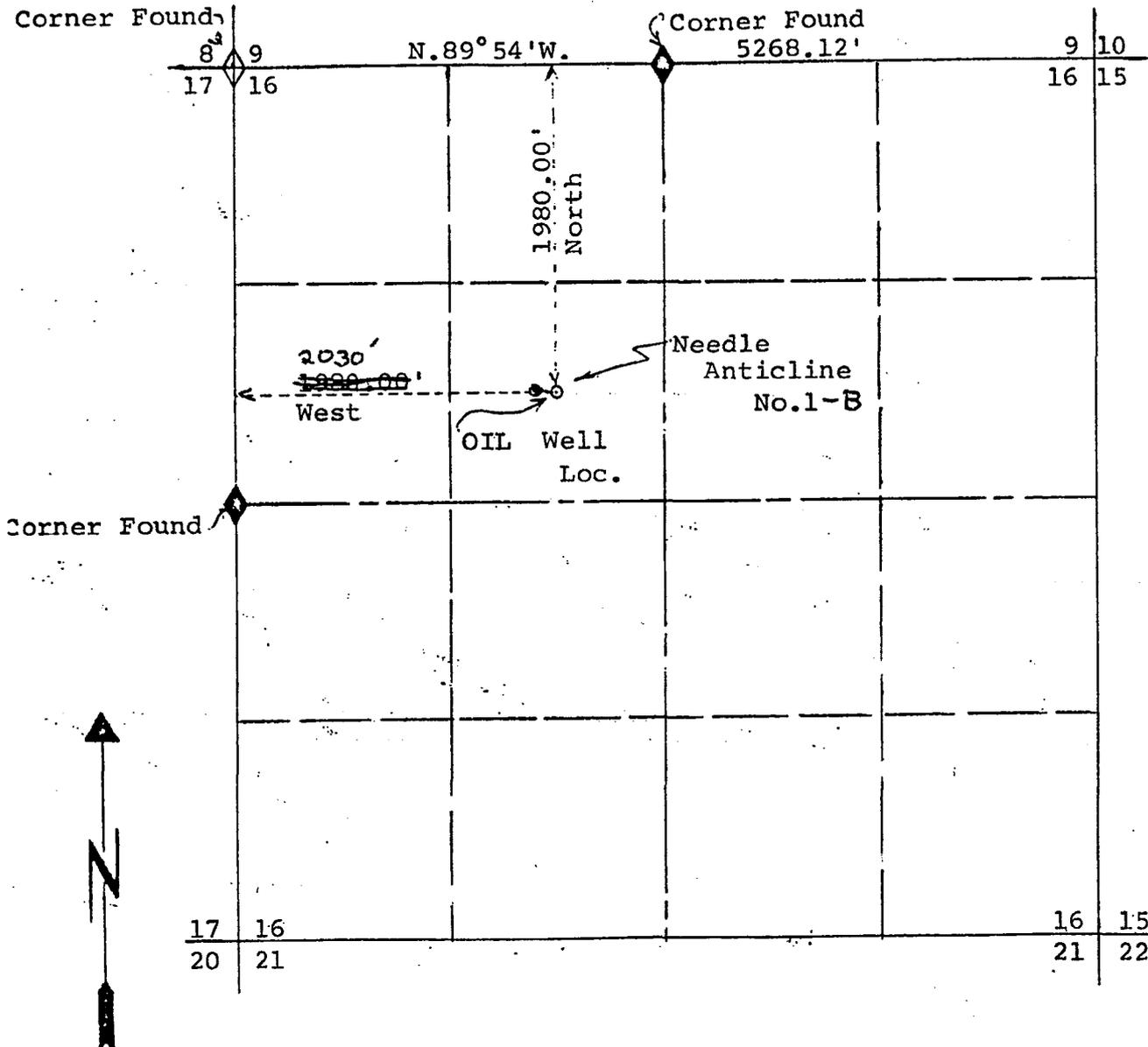
CERTIFICATION

I, Richard W. Forman, do hereby certify that this plat is a true and accurate map of the survey made under my supervision and direction between the 7th and 8th day of October, 1974.

Richard W. Forman

Richard W. Forman
Licensed Land Surveyor
Nevada No.2898

Map Showing
NEEDLE EXPLORATION COMPANY
Oil Well Location
Needle Anticline No. 1
Millard County Utah
Scale 1" = 1000'



MICROPHONE

NEEDLE ANTICLINE 1-B

559AL DRUM OVER 1 3/8 CASING.

43-027-30011

CELLAR BOARDS ON THIS SIDE

MOUSE HOLE

PIT (OPEN)

BEAM →

WATER SUPPLY WELL



NEEDLE STATE #1

43-027-30009

DRY

43-027-30010

HOLE MARKER

FEDERAL ANTICLINE #1A

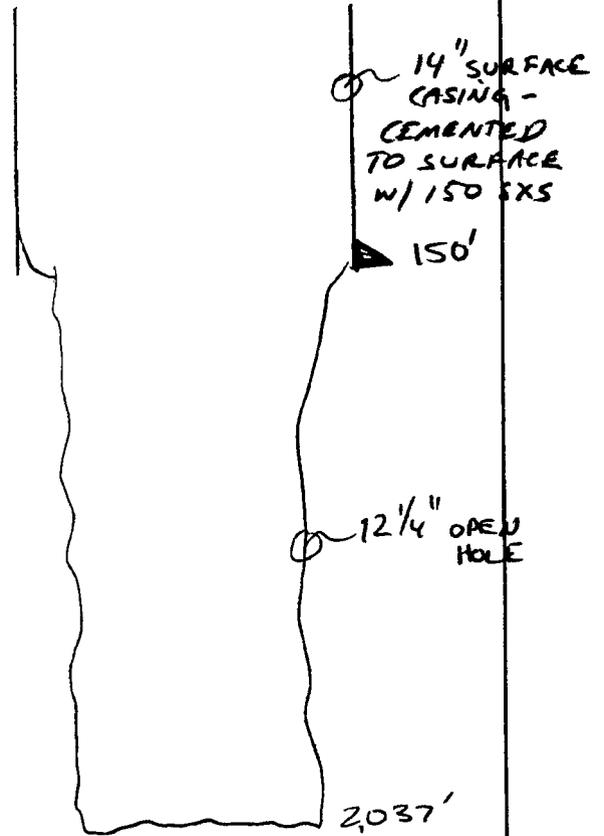
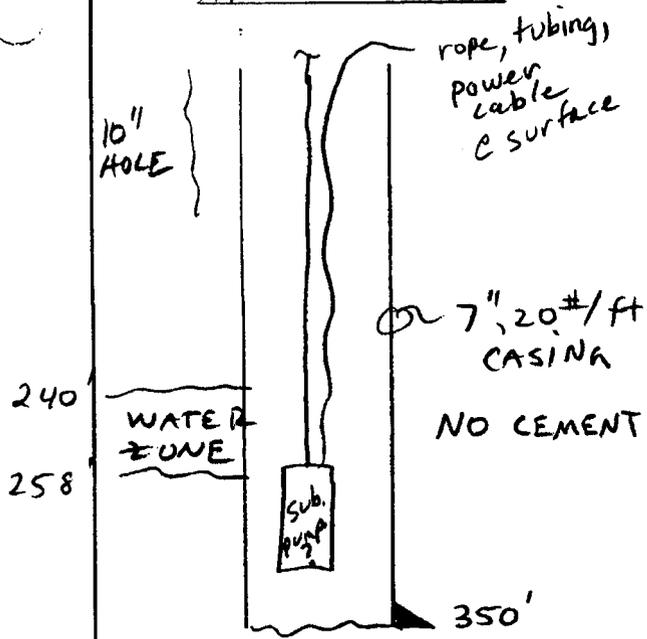
March 5, 1991

This well was originally assigned API #43-027-30008. This number belongs to the Monroe Fee #1, T. 20S R. 2W Sec. 14. The wrong API number, 43-027-30007, has been put on several sundry notices. Both of these numbers are wrong. This well is the Needle Anticline 1-A, #43-027-30010.

#43-027-30009	Needle State #1
#43-027-30010	Needle Anticline 1-A
#43-027-30011	Needle Anticline 1-B

NEEDLE ST #1

NEEDLE ST 1-B





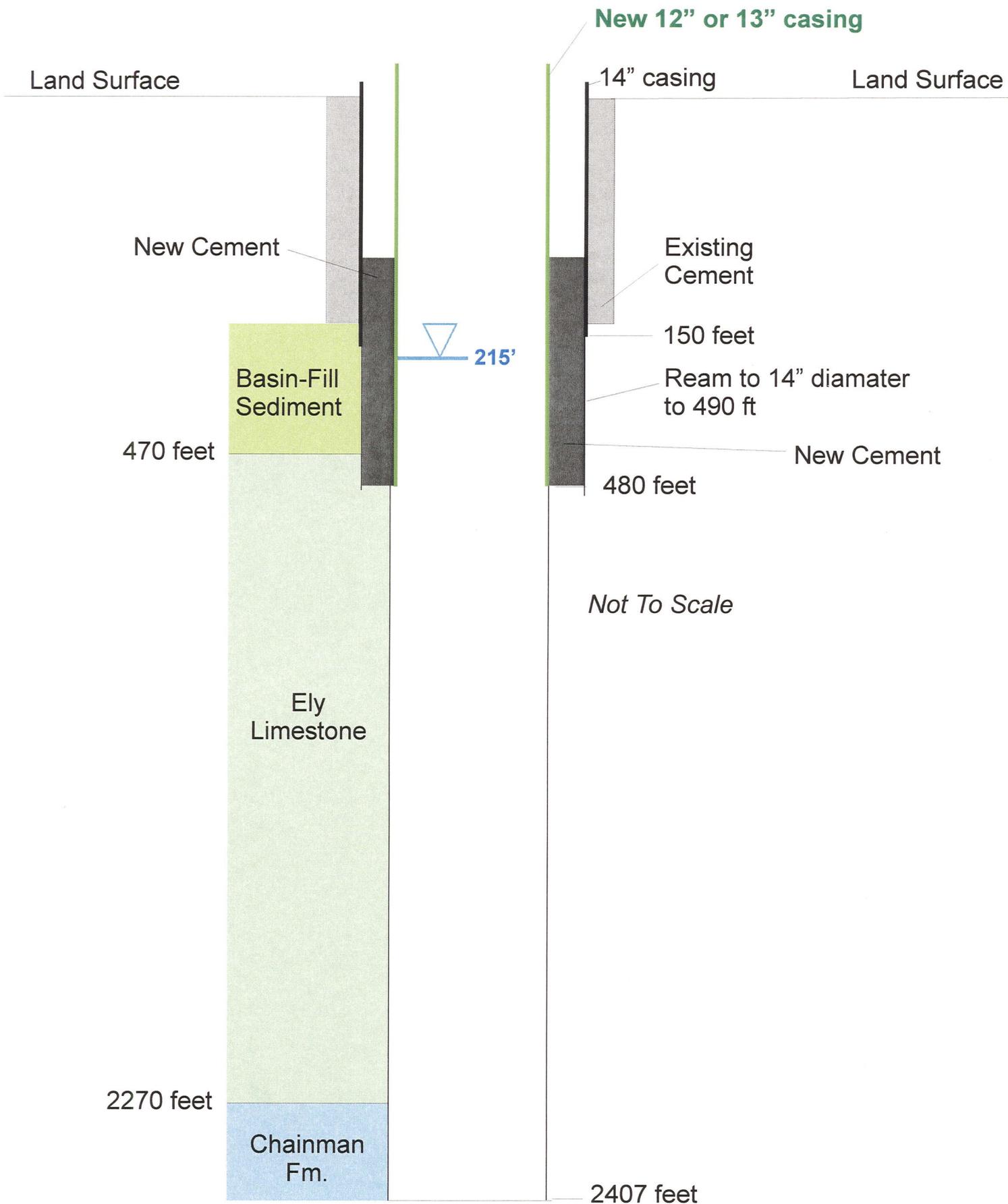
Needle Anticline 1-B. Surface casing is not visible.



Needle State #1.

Plan for Modification of Needle Anticline 1-B

Depths and details of present structure
need to be confirmed by new geophysical logs



MEMORANDUM

TO: Dustin Doucet, Utah Division of Oil, Gas and Mining

FROM: Hugh Hurlow, Senior Geologist, Utah Geological Survey H.H.

DATE: March 19, 2008

RE: Sundry notices for Needle Anticline 1-B and Needle State #1 wells

Enclosed are the sundry notices for the UGS to assume responsibility of the orphaned wells Needle Anticline 1-B and Needle State 1, in SENW section 16 T. 24 S. R. 19 W., Millard County.

Also enclosed are:

- 1) Permission to proceed from Tom Faddies, State Institutional and Trust Land Administration
- 2) Monitor-well permits to modify the existing wells from the Division of Water Rights
- 3) Material submitted to the Utah Division of Water Quality for the well modification and new well drilling, and their letter of approval
- 4) Our development plan for modification of the existing wells, drilling of new monitor wells, and aquifer testing at the site.

We hope to begin work at the site next week. I apologize for the short time frame.

Thank You Dustin

