

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

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

5. Lease Designation and Serial No.

ML-2776.7

6. If Indian, Allottee or Tribe Name

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

7. Unit Agreement Name

8. Farm or Lease Name

STATE

9. Well No.

ST. #1-16

10. Field and Pool, or Wildcat

WILDCAT

11. Sec., T., R., M., or Blk. and Survey or Area

NW.SW. sec. 16-29S-24E. SLM.

2. Name of Operator

MEGADON ENTERPRISES, INC.

3. Address of Operator

STE. 253, 57 WEST SO. TEMPLE, SLC, UTAH

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface

NW. SW. SECTION 16-29S-24E, SLM.

At proposed prod. zone 1840' fr. S-line and 520' fr. W-line

14. Distance in miles and direction from nearest town or post office\*

Approximately 4 1/2 miles SW of La Sal, Utah

12. County or Parrish 13. State

SAN JUAN UTAH

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

520'

16. No. of acres in lease

320

17. No. of acres assigned to this well

80

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

19. Proposed depth

10,100

20. Rotary or cable tools

ROTARY

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

6994' Grd; 6718' K.B.

22. Approx. date work will start\*

Aug. 31, 1981

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/4"	9 5/8"	36.00#	1250'	350 sks
8 3/4"	5 1/2"	23.00#	10,000'	600 sks

It is planned to drill a well at the above location to test the oil production possibilities of the Mississippian-Leadville formation at a depth of approximately 10,100'. The well will be drilled with rotary tools using mud and air for circulation. A short piece of conductor pipe (13 3/8") will be set at about 35' and cemented then a 12 1/4" surface hole will be drilled to a depth which is below the water sands and cemented to the surface. An 8 3/4" hole will then be drilled to total depth. A blowout preventer, hydril, and rotating head will be used for control equipment. In the event of production, 5 1/2" casing will be set and thoroughly cemented from the bottom up to above the salt section. A prognosis for the well is attached.

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

24. 

Title SECRETARY/TREASURER

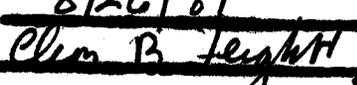
Date AUG. 23, 1981

(This space for Federal or State office use)

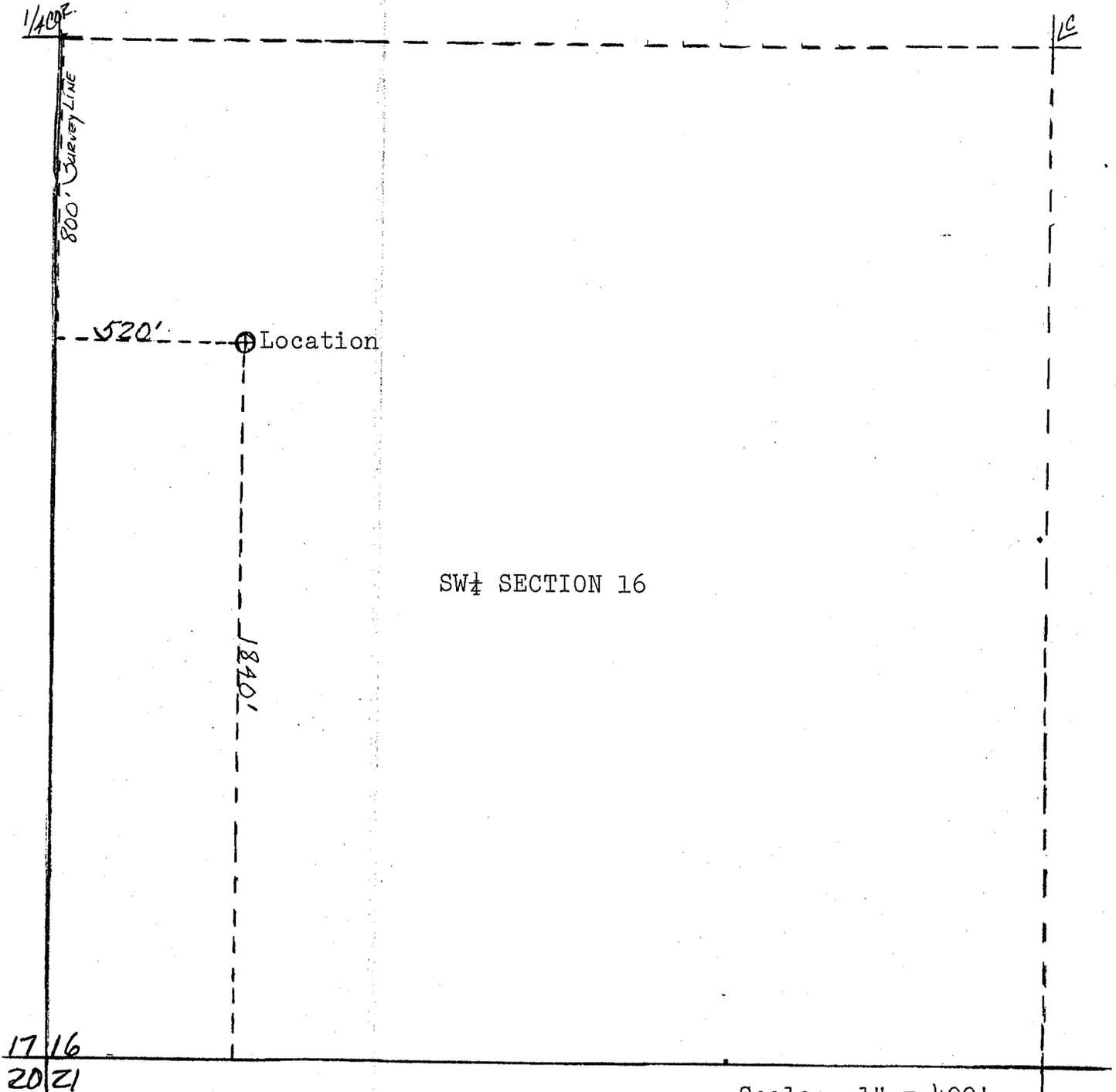
Permit No. .... Approval Date .....

Approved by ..... Title .....

Conditions of approval, if any:

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING  
DATE 8/26/81  
BY: 

LOCATION PLAT FOR  
MEGADON ENTERPRISES, INC.  
LASAL STATE #1-16 WELL  
NW. SW. SECTION 16-29S-24E.  
(520' FR. E-LINE AND 1840' FR. S-LINE)



Scale: 1" = 400'  
Date: Aug. 23, 1981

REFERENCE PTS: 200' E-W-N-S  
Rig will be oriented EW and pit on South  
side

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

*Sherman D. Gardner*

Registered Land Surveyor  
State of Utah #1556

PLAT #1

PROGNOSIS FOR  
 MEGADON ENERGY CORPORATION  
 LASAL STATE #16WELL  
 NW.SW. SECTION 16-29S-24E.  
 SAN JUAN COUNTY, UTAH

LOCATION: NW. SW. Section 16, T29S, R 24E, SLM, Grand County, Utah  
 (1840' fr. S-line and 520 fr. W-line)

ELEVATION: 6994' Grd; 6718' K.B.

SURFACE CASING: One joint of conductor pipe (13 3/8" or equivalent) will be set and cemented manually at the surface; then a 12 1/4" hole will be drilled to a depth of 1250' for the surface casing. 1250 ft. of 9 5/8", 36#, K-55 casing will be set and cemented with 350 sks of reg cement w/3% CaCl, with returns to the surface. Casing will be set with a guide shoe and six (6) centralizers. A casing head, Series 900 with #10 flange, will be installed on top of the casing. The cement will be allowed 12 hours to set before nipping up.

EXPECTED FORMATION TOPS:

<u>Formation</u>	<u>Depth to Top</u>	<u>Thickness</u>	<u>Datum</u>
Buckhorn	Surface	25'	6715' K.B.
Morrison	25'	400'	6690'
Entrada	425'	250'	6290'
Carmel	675'	25'	6040'
Navajo	700'	250'	6015'
Kayenta	950'	25'	5765'
Wingate	975'	200'	5740'
Chinle	1175'	300'	5540'
Shinarump	1475'	25'	5240'
Moenkopi	1500'	200'	5215'
Cutler Rico	1700'	1100'	5015'
Hermosa	2800'	2100'	3915'
Paradox Salt*	4900'	4700'	1815'
Pinkerton Trail*	9600'	150'	-2885'
Molas	9750'	50'	-3035'
Mississippian*	9800'	300'	-3085'
TOTAL DEPTH	10,100'		

\*Formations which may have hydrocarbons

1. It is planned to set and cement on jt of 13 3/8" casing for a conductor and then to drill a 12 1/4" surface hole for the surface casing to a depth of about 1250'. (This depth will be sufficient to set the casing thru the Wingate formation for the protection of possible water sands in the area.) Casing, 9 5/8", 36#, K-55, R-3 will be run and cemented with 350 sks of cement with returns to the surface.

The surface hole will be drilled with water and gel and a deviation of no more than  $2^{\circ}$  will be maintained. A casing head, Series 900, will be mounted on top of the casing and a blowout preventer with hydraulically operated blind and pipe rams, and a hydril, will be mounted on the casing head. Fill and kill lines will be connected thru a manifold to the casing head below the blind rams. As soon as the cement plug is drilled out of the surface casing, the BOP and hydril and surface casing will be tested to 2000# for leaks.

2. A 8 3/4" hole will then be drilled below the surface casing to a depth of about 4500', using air and/or air mist for circulation. At this point, the air system is to be changed over to a salt base mud to permit drilling the salt section below. All subsequent shows of hydrocarbons will be drill-stem-tested. Particular attention will be given to the Cane Creek zone near the base of the salt section. This zone can be productive and is very susceptible to formation damage by the drilling fluids and cement. No barite (barium sulfate) is to be used at any time, if it can possibly be avoided.
3. The hole will be kept straight by stabilization or thru drilling methods. Deviation surveys will be taken at 600' intervals. Maximum deviation will be kept below  $6^{\circ}$ , if possible, and the maximum drift will be  $2^{\circ}$ .
4. Samples of the cuttings will be taken at 20-ft. intervals, beginning at 500', and continuing to a depth of about 5000' or when conversion to mud drilling is begun, then 10' samples will be taken.
5. The well will be drilled to a depth which is at least 300 ft. below the top of the Mississippian formation or to good commercial production. In the event of good production before the Mississippian is reached, the drilling may be discontinued at this point and 5 1/2" casing run to permit drilling deeper at a later date. The mud program will be supervised by the company representative.
6. At total depth, the well will be logged electrically; and a Gamma-Induction log and a Gamma-Density-CNL log will be run.
7. If production is obtained in the Mississippian, casing, 5 1/2", 23#, N-80, R-3 will be run from about 10,000' to about 5000' cemented in stages with about 600 sks of self-stress cement and 800 sks of Poz-mix (35-65) light cement w/37% salt. Sufficient cement to cover the salt section will be used.
8. A gamma-cement bond log will be run and the production zone perforated, 2 3/8" tubg run, and completed conventionally. It may be necessary to break down the formation with a weak acid treatment which could be swabbed out immediately after treatment.
9. The drilling of this well should take about two months and completion work should take about 20 days.

LOCATION PLANS FOR  
MEGADON ENTERPRISES, INC.  
LASAL STATE #1-16 WELL  
NW. SW. SECTION 16-29S-24E.  
SAN JUAN COUNTY, UTAH

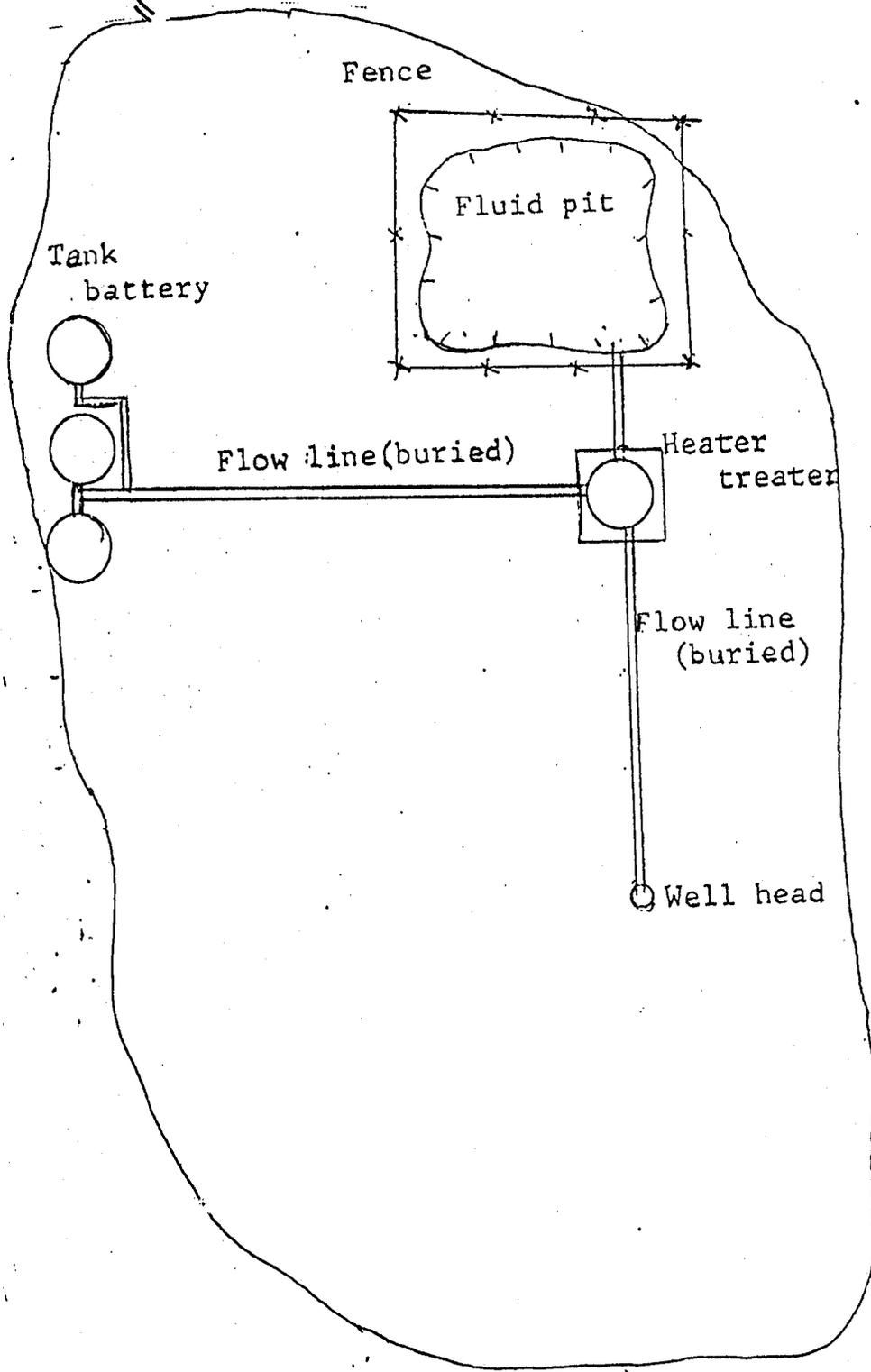
1. A survey plat (Plat #1) is attached showing the location of the proposed well site. Map #1 shows the route from Hwy 46 between LaSal Jct. and LaSal to the well site.
2. Map #1 shows the access road to the well site from present roads. The road will be less than 300' long and is connected to the present roads at the Jct. of the secondary road and the Big Indian Valley road.
3. All present wells and dry holes in the area are shown on Map #1.
4. See 1 and 2 above for other roads in the area.
5. A plan for the location of the production equipment at the well site, if the well is successful, is shown on Plat #2. Since this well is a wildcat well, it is uncertain as to the type and location of the production, but based on the Lisbon Field nearby, it should be an oil well completed in the Mississippian formation, and should flow, thus eliminating the need for a pump jack. The flow lines, heater-treater, tank battery, and fluid pit will be installed as shown.
6. Water for drilling purposes will be obtained from the Coyote Wash and will be hauled to the well location by truck. This is a distance of about 1 mile. Salt water will be hauled from Moab.
7. A plan for the placement of the drilling equipment to be used in the drilling of the proposed well is shown on Plat #3. This plat shows the reserve pit. Excess drilling mud and waste water will be deposited in the reserve pit during drilling operations. The waste and burnable material will be put in a burn cage. At the completion of the well the pit will be folded-in and levelled as soon as the fluids permit.
8. See location of house trailers on Plat #3.
9. There is one airstrip at LaSal Jct. in the vicinity of the well location and this can be used if needed for transporting supplies and parts.
10. See Plat #3 for the drilling equipment layout.
11. The location is in the corner next to the road of a fenced field. Grazing use is made of the field. The surface belongs to the Atlas Mineral Co. and a permit for the well site has been obtained from them and is attached. The topsoil from the well site will be win-drowed around the edge of the location. Some sage brush covers the

surface sparsely, and grass is present over the site area. After the well is completed, the location will be cleaned and levelled and the pit covered.

12. The location is beside a present road and on a slight ridge which can be levelled easily. The reserve pit will be dug at least  $\frac{1}{2}$  in native rock and soil. This rock and soil will be used to build the sides of the pit. Sediments belonging to the Morrison is exposed around the edges of the hill sides. The flat surfaces are mostly soil and boulders. This is a developed area and there are numerous roads and trails crossing the area.

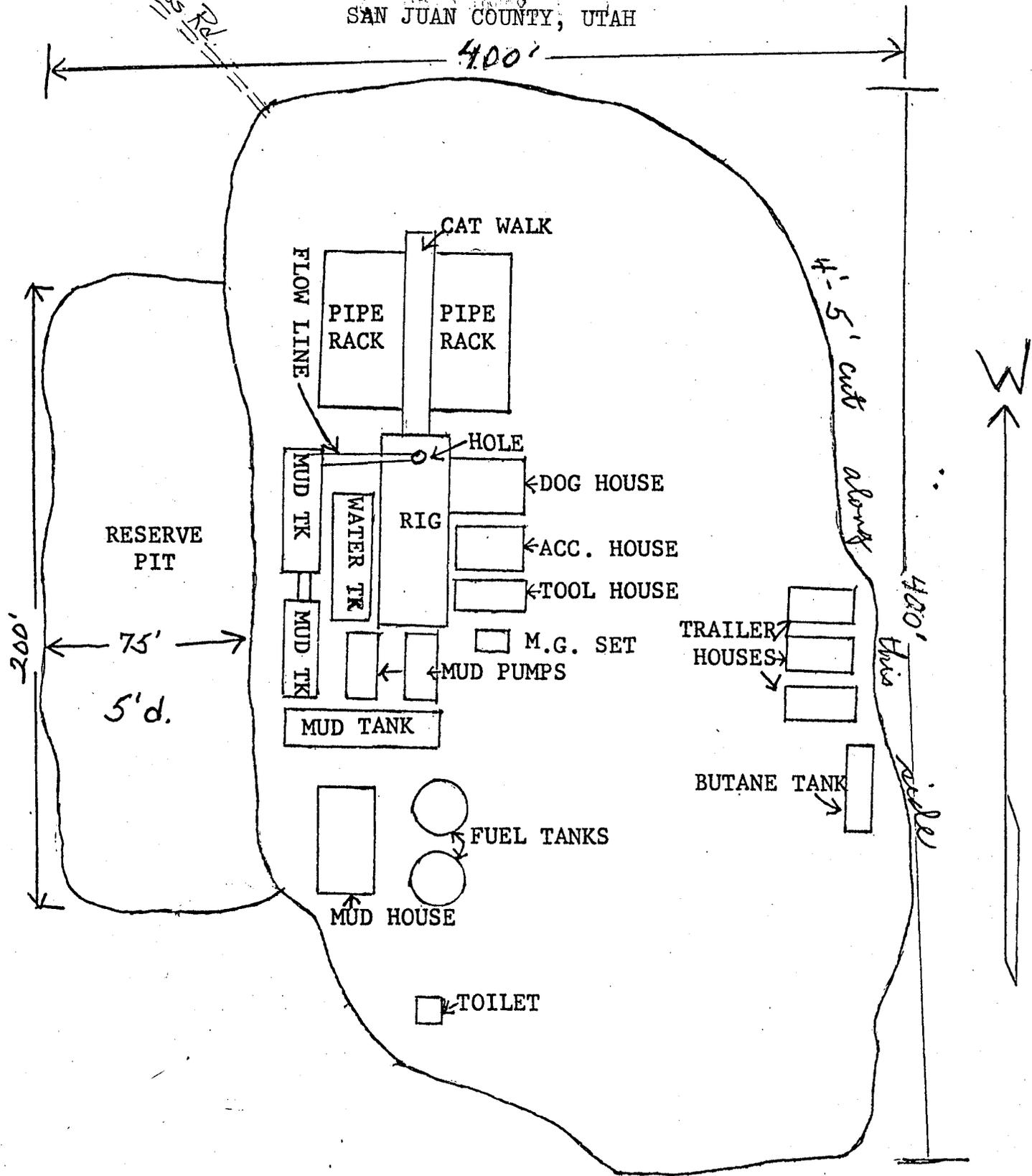
PLAN FOR PRODUCTION EQUIPMENT  
MEGADON ENERGY CORP. ST. #1-16 WELL  
NW. SW. SECTION 16-29S-24E.  
GRAND COUNTY, UTAH

== Access Rd. ==



Approx. scale: 1 in. = 65 ft.

**DRILLING EQUIPMENT LAYOUT**  
**FOR**  
**MEGADON ENERGY CORP.**  
**STATE #1-16 WELL**  
**NW. SW. SECTION 16-29S-24E.**  
**SAN JUAN COUNTY, UTAH**



APPROX SCALE: 1" = 65 ft.

WELL CONTROL EQUIPMENT FOR  
MEGADON ENERGY CORP. STATE #1-16 WELL  
NW. SW. SEC. 16-29S-24E.  
GRAND COUNTY, UTAH

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

1. Surface Casing:
  - A. Hole size for the surface casing is 12 $\frac{1}{4}$ ".
  - B. Setting depth for surface casing is approx. 1850'.
  - C. Casing specs. are: 9 5/8" O.D., J-55, 36.00#, 8-rd. thread, new or used.
  - D. Anticipated pressure at setting depth is approx. 700 lbs.
  - E. Casing will be run and cemented with 100 sks of cement and with returns to the surface.
  - F. Top of casing will be at ground level.
  
2. Casing Head:

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

None
  
4. Blowout preventers:
  - A. Double rams; hydraulic; one set of blind rams for 4" drill pipe; 10" flange; 3000# W.P.; Series 900; equipped with mechanical wheels and rod for back-up; set on top of casing head and bolted down securely; pressure tested for leaks up to 2000#; Cameron, Shaffer, or equivalent. A hydril and rotating head will also be used.
  - B. The fill and kill line are to be connected to the 2" valve in the casing head and are to be heavy duty line pipe or tubing. The kill line will be connected to the mud pump and the flow line will be directed into the reserve pit.
  
5. Auxilliary Equipment:

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

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

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

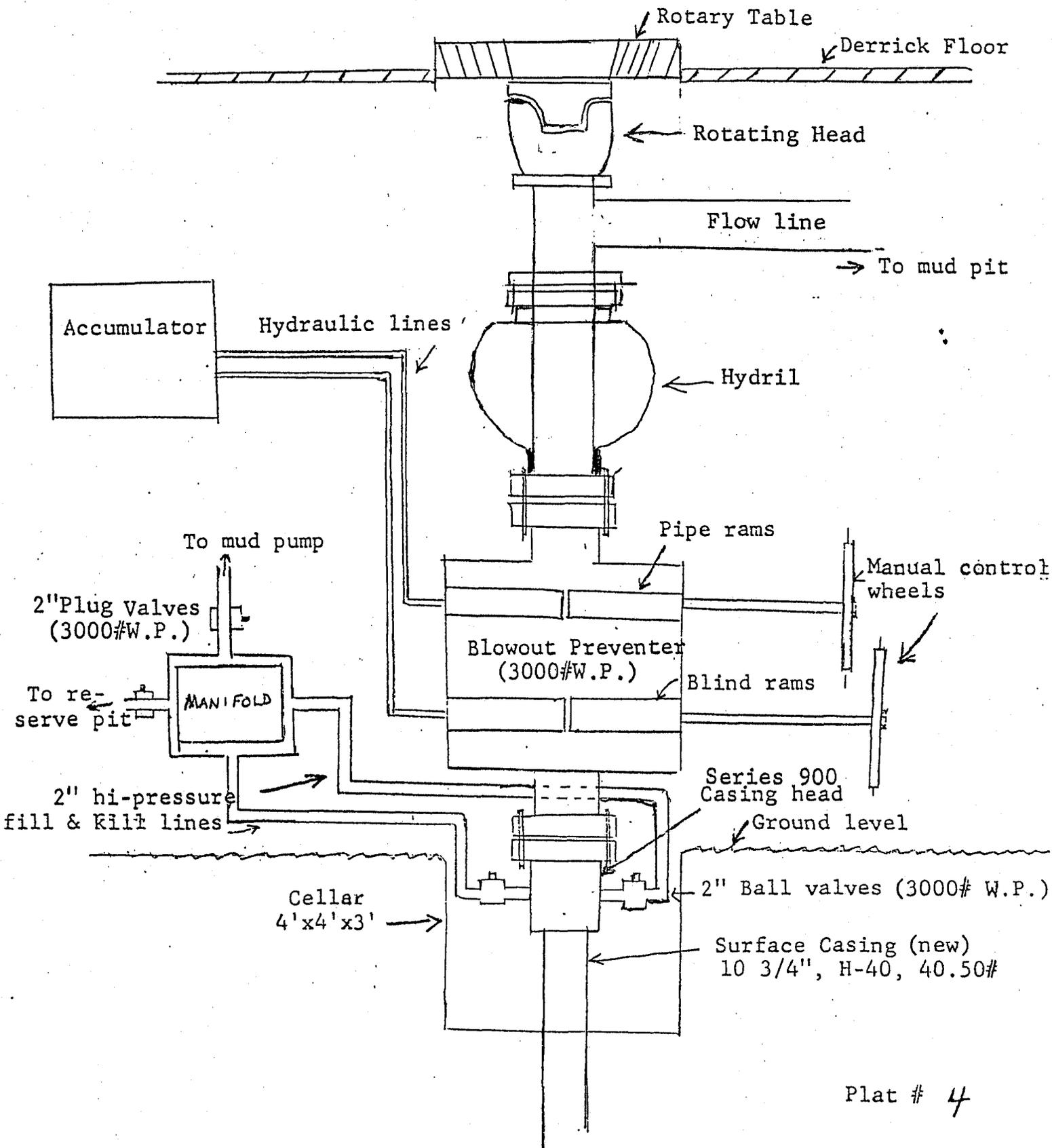
7. Drilling Fluids:

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

8. Production Casing:

- A. Hole size for production casing is 8 3/4".
- B. Approx. setting depth is 8700', which should be about 250' into the Mississippian formation.
- C. Casing specs are: 5 1/2" O.D.; N-80 for lower 4000' - 23.00#; J-55 for upper 5000' - 15.50# or 17.00# which ever is available.
- D. Casing will be run and cemented with approx. 1000 sks in stages. The bottom of the casing, from 8750' to 8000', will be cemented first with about 200 sks; this will be allowed to set and then the rest of the cement will be used to cement the salt section. This will prevent undue hydrostatic pressures on the production zone. After the cement cures the casing will be set on slips in the casing head. Tubing, 2" O.D., will be run; plugs will be drilled out; tubing will be set in tubing head which is securely bolted to the casing head; and then the well will be perforated under a water cushion at the proper intervals.

SCHEMATIC DIAGRAM OF  
CONTROL EQUIPMENT FOR THE  
MEGADON ENERGY CORP.  
STATE #1-16 WELL  
NW. SW. SEC. 16-29S-24E.  
GRAND COUNTY, UTAH



359-3575

Form 9-1123

KINIZEL'S, CASPER

(Submit in Triplicate)

SUPERVISOR, OIL AND GAS OPERATIONS:

## DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of oil and gas lease

DISTRICT LAND OFFICE: Box 11505, Salt Lake City, Utah 84111  
SERIAL NO.: Utah ML-27767

and hereby designates

NAME: Megadon Enterprises, Inc.  
ADDRESS: 817 17th Street  
Suite 309, Denver, Colorado 80202

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to (describe acreage to which this designation is applicable):

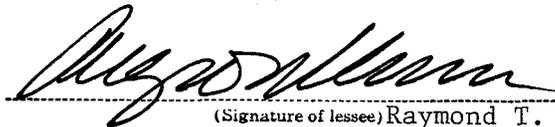
Township 29 South - Range 24 East SLM  
Section 16: Lots 1-8

San Juan County, Utah

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the oil and gas supervisor of any change in the designated operator.



(Signature of lessee) Raymond T. Duncan

Colorado Center, Penthouse One  
1777 S. Harrison Street  
Denver, Colorado 80210

(Address)

August 14, 1981

(Date)

\*\* FILE NOTATIONS \*\*

DATE: Aug. 26, 1981  
OPERATOR: Megadon Enterprises, Inc.  
WELL NO: State #1-16  
Location: Sec. 116 T. 29S R. 24E County: San Juan.

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

API Number 43-037-307010

CHECKED BY:

Petroleum Engineer: \_\_\_\_\_  
\_\_\_\_\_

Director: OK rule c-3  
\_\_\_\_\_

Administrative Aide: as per Rule C-3, ok on boundaries, ok on any other well.  
\_\_\_\_\_

APPROVAL LETTER:

Bond Required:  Survey Plat Required:

Order No. \_\_\_\_\_ O.K. Rule C-3

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

Lease Designation  Plotted on Map

Approval Letter Written

Hot Line  P.I.

August 26, 1981

Megadon Enterprises, Inc.  
STE. #253, 57 West So. Temple  
Salt Lake City, Utah 84101

RE: Well No. State #1-16,  
Sec. 16, T. 29S, R. 24E,  
San Juan County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Rule C-3, General Rules and Regulations and Rules of Practice and Procedure.

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

MICHAEL T. MINDER - Petroleum Engineer  
Office: 533-5771  
Home: 876-3001

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

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

The API number assigned to this well is 43-037-307080.

Sincerely,

DIVISION OF OIL, GAS AND MINING

  
Cleon B. Feight  
Director

CBF/db  
CC: State Lands Attn: Donald Prince

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. ML- 27767
2. NAME OF OPERATOR MEGADON ENTERPRISES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH 84111		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface NW.SW. SECTION 16, T 29S, R 24E, SLM. 1840' FR. S-LINE AND 520' FR. W-LINE		8. FARM OR LEASE NAME STATE
14. PERMIT NO.		9. WELL NO. ST. #1-16
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6994' GRD; 6718' K.B.		10. FIELD AND POOL, OR WILDCAT WILDCAT
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW.SW. Sec. 16-29S-24E. SLM.
		12. COUNTY OR PARISH SAN JUAN
		18. STATE UTAH

RECEIVED  
SEP 02 1981  
DIVISION OF OIL, GAS & MINING

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) INFORMATION <input type="checkbox"/>	
(Other) <input type="checkbox"/>			

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

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

THE LOCATION WORK WAS CONSTRUCTED AND TOM PATTERSON'S SPUDDING RIG #1 SPURRED IN THE SUBJECT WELL ON AUGUST 31, 1981 AT 12 NOON. THE SUBJECT WELL WAS DRILLED TO 15' ON THE SAME DAY, WITH A 17½" SURFACE HOLE. THE WELL WILL BE DRILLED TO 40' AND 13 3/8" CSG WILL BE SET AND CEMENTED FOR A CONDUCTOR PIPE.

THE SUBJECT WELL WILL COMMENCE DRILLING WHEN A LARGER RIG IS AVAILABLE.

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

SIGNED Shekell D. Peterson TITLE SECRETARY/TREASURER DATE SEPTEMBER 1, 1981

(This space for Federal or State office use)

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



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

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

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

February 3, 1982

Megadon Enterprises Inc.  
57 West South Temple, Ste. 440  
Salt Lake City, Utah 84101

Re: Well No. State 1-16  
Sec. 16, T. 29S, R. 24E  
San Juan County, Utah  
(October 1981- December 1981)

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 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

Cari Furse  
Clerk Typist

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

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

(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.)

<b>1. OIL WELL</b> <input checked="" type="checkbox"/> <b>GAS WELL</b> <input type="checkbox"/> <b>OTHER</b> <input type="checkbox"/>		<b>5. LEASE DESIGNATION AND SERIAL NO.</b> ML-27767
<b>2. NAME OF OPERATOR</b> MEGADON ENTERPRISES, INC.		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</b>
<b>3. ADDRESS OF OPERATOR</b> 57 WEST SOUTH TEMPLE, SALT LAKE CITY, UTAH 84101		<b>7. UNIT AGREEMENT NAME</b>
<b>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)</b> At surface NW. SW. SECTION 16, T 29S, R 24E, SLM. 1840' FR. S-LINE AND 520' FR. W-LINE		<b>8. FARM OR LEASE NAME</b> STATE
<b>14. PERMIT NO.</b>		<b>9. WELL NO.</b> LASAL STATE #1-16
<b>15. ELEVATIONS (Show whether DF, RT, GR, etc.)</b> 6994' GRD; 6718' K.B.		<b>10. FIELD AND POOL, OR WILDCAT</b> WILDCAT
		<b>11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA</b> NW. SW. SEC. 16-29S-24E SLM.
		<b>12. COUNTY OR PARISH</b> <b>13. STATE</b> SAN JUAN 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) INFORMATION <input checked="" type="checkbox"/>	
(Other) <input type="checkbox"/>			

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

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

THE SUBJECT WELL IS STILL WAITING ON THE BIG RIG. OUR LEASED RIG WILL BE FINISHED DRILLING ITS CURRENT WELL TOWARD THE END OF FEBRUARY AND WE WILL MOVE IT TO THE LA SAL #1-16 WELL IMMEDIATELY THEREAFTER.

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

SIGNED W. How Gungley TITLE PRESIDENT DATE 2-8-82

(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 CONSERVATION  
 4241 STATE OFFICE BUILDING  
 SALT LAKE CITY, UTAH 84114  
 533-5771

State Lease No. ML-27767  
 Federal Lease No. \_\_\_\_\_  
 Indian Lease No. \_\_\_\_\_  
 Fee & Pat. \_\_\_\_\_

**REPORT OF OPERATIONS AND WELL STATUS REPORT**

STATE UTAH COUNTY SAN JUAN FIELD MEGADON ENERGY CORPORATION  
 OIL & MINERAL WORK \_\_\_\_\_

The following is a correct report of operations and production (including drilling and producing wells) for the month of:  
MAR, 1982 to Present 3/82  
 SUITE 440  
 57 WEST SOUTH TEMPLE  
 SALT LAKE CITY, UTAH 84101

Agent's Address \_\_\_\_\_ Company \_\_\_\_\_  
 Signed H. Ron Gungley  
 Title Pres.  
 Phone No. 801-359-3525

Sec. and % of %	Twp.	Range	Well No.	Days Produced	Barrels of Oil	Gravity	Cu. Ft. of Gas (In thousands)	Gallons of Gasoline Recovered	Barrels of Water (If none, so state)	API NUMBER/REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
<u>NWSW 16</u>	<u>29S</u>	<u>24E</u>	<u>1-16</u>							<u>43-031-30710</u>  The continued drilling on the subject well has been suspended until such time as the status of a lease (redual) on the adjacent section 17-29S-24E. could be determined. This lease, U-17832-A, expired in March 1982 and has finally been posted on this months simultaneous filing list. The drilling will continue as soon as the ownership of this lease is determined.

**RECEIVED**  
 MAR 14 1983  
 DIVISION OF  
 OIL, GAS & MINING

**GAS: (MCF)**  
 Sold \_\_\_\_\_  
 Flared/Vented \_\_\_\_\_  
 Used On/Off Lease \_\_\_\_\_

**OIL or CONDENSATE: (To be reported in Barrels)**  
 On hand at beginning of month \_\_\_\_\_  
 Produced during month \_\_\_\_\_  
 Sold during month \_\_\_\_\_  
 Unavoidably lost \_\_\_\_\_  
 Reason: \_\_\_\_\_  
 On hand at end of month \_\_\_\_\_

**DRILLING/PRODUCING WELLS:** This report must be filed on or before the sixteenth day of the succeeding month following production for each well. Where a well is temporarily shut-in, a negative report must be filed. **THIS REPORT MUST BE FILED IN DUPLICATE.**

**Note:** The API number must be listed on each well.



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 12, 1983

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

Re: Well No. Lasal State # 1-16  
Sec. 16, T. 29S, R. 24E.  
San Juan County, Utah

Gentlemen:

In reference to the above mentioned well, considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill this well, please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan to drill this location at a later date, please notify as such.

We will be happy to acknowledge receipt of your 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 firm second notice from our agency.

Your prompt attention to the above will be greatly appreciated.

Respectfully,

DIVISION OF OIL, GAS AND MINING

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

Cari Furse  
Well Records Specialist

CF/cf

**STATE OF UTAH**  
 DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF OIL & GAS CONSERVATION  
 4241 STATE OFFICE BUILDING  
 SALT LAKE CITY, UTAH 84114  
 533-5771

State Lease No. ML-27767  
 Federal Lease No. \_\_\_\_\_  
 Indian Lease No. \_\_\_\_\_  
 Fee & Pat. \_\_\_\_\_

**REPORT OF OPERATIONS AND WELL STATUS REPORT**

STATE Utah COUNTY SAN JUAN FIELD/LEASE MINERAL WORK MEGADON ENERGY CORPORATION

The following is a correct report of operations and production (including drilling and producing wells) for the month of:  
MAR, 1982 to Present 3/82

SUITE 440  
 57 WEST SOUTH TEMPLE  
 SALT LAKE CITY, UTAH 84101

Agent's Address \_\_\_\_\_ Company \_\_\_\_\_  
 Signed H. Ron Gugley  
 Title Pres.  
 Phone No. 801-359-3525

Sec. and 1/4 of 1/4	Twp.	Range	Well No.	Days Produced	Barrels of Oil	Gravity	Cu. Ft. of Gas (In thousands)	Gallons of Gasoline Recovered	Barrels of Water (if none, so state)	API NUMBER/REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
NWSW-16	29S	24E	1-16							<p>The continued drilling on the subject well has been suspended until such time as the status of a lease (Federal) on the adjacent section 17-29S-24E. could be determined. This lease, U-17832-A, expired in March 1982 and has finally been posted on this months simultaneous filing list. The drilling will continue as soon as the ownership of this lease is determined.</p>

**RECEIVED**  
 MAR 22 1983  
 DIVISION OF OIL, GAS & MINING

**RECEIVED**  
 MAR 22 1983  
 DIVISION OF OIL, GAS & MINING

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

5. LEASE DESIGNATION AND SERIAL NO.

ML-27767 ✓

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL  GAS WELL  OTHER

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR  
MEGADON ENTERPRISES, INC.

8. FARM OR LEASE NAME  
STATE

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

9. WELL NO.  
LASAL STATE #1-16

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface  
NW. SW. SECTION 16, T 29S, R 24E, SLM.  
1840' FR. S-LINE AND 520' FR. W-LINE

10. FIELD AND POOL, OR WILDCAT

WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
NW. SW. SEC. 16-29S-24E.  
SLM.

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
6994' GRD; 6718' K.B.

12. COUNTY OR PARISH 18. STATE  
SAN JUAN 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 checked="" 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.) \*

DUE TO LACK OF FUNDING, WE ARE HAVING TO ABANDON THIS LOCATION. RECLAMATION AND CLEAN-UP WORK WILL BEGIN OCTOBER 7, 1983 ON THE ABOVE LOCATION. RECLAIMING THE LOCATION WILL BE IN ACCORDANCE WITH THE PROVISIONS OF THE LEASE.

*this well was spudded.*

RECEIVED  
OCT 6 1983

PREVIOUSLY DRILLED 17 1/2" hole or 13 3/8" casing, if set; to be filled with cement to surface. Also please submit Completion Report Form OGC-3.

DIVISION OF OIL, GAS & MINING  
APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING  
DATE: 10/5/83  
BY: [Signature]

18. I hereby certify that the foregoing is true and correct  
SIGNED [Signature] SECRETARY/TREASURER DATE 10-5-83

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

\*See Instructions on Reverse Side

**RECEIVED**  
OCT 20 1983

STATE OF UTAH

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

34  
12

OIL & GAS CONSERVATION COMMISSION

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

5. LEASE DESIGNATION AND SERIAL NO.

ML-27767 ✓

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

STATE

9. WELL NO.

LA SAL STATE #1-16

10. FIELD AND POOL, OR WILDCAT

WILDCAT

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

NWSW SEC. 16-29S-24E.  
SLM.

12. COUNTY OR PARISH

SAN JUAN

13. STATE

UTAH

1a. TYPE OF WELL  OIL WELL  GAS WELL  DRY  Other PEH  
b. TYPE OF COMPLETION  NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

2. NAME OF OPERATOR  
MEGADON ENTERPRISES INC.

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface NW. SW. SECTION 16, T 29S, R 24E, SLM.  
At top prod. interval reported below 1840' FR. S-LINE AND 520' FR. W-LINE  
At total depth \_\_\_\_\_

14. PERMIT NO. 43-037-30110 DATE ISSUED \_\_\_\_\_

15. DATE SPUDDED 9-31-81 16. DATE T.D. REACHED \_\_\_\_\_ 17. DATE COMPL. (Ready to prod.) \_\_\_\_\_ 18. ELEVATIONS (DF, R&B, RT, GR, ETC.)\* 6994' GRD; 6718 K.B. 19. ELEV. CASINGHEAD \_\_\_\_\_

20. TOTAL DEPTH, MD & TVD 40' 21. PLUG, BACK T.D., MD & TVD SURFACE 22. IF MULTIPLE COMPL., HOW MANY\* \_\_\_\_\_ 23. INTERVALS DRILLED BY \_\_\_\_\_ ROTARY TOOLS \_\_\_\_\_ CABLE TOOLS \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
NONE  
25. WAS DIRECTIONAL SURVEY MADE \_\_\_\_\_

26. TYPE ELECTRIC AND OTHER LOGS RUN  
NONE  
27. WAS WELL CORED \_\_\_\_\_

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

CASING SIZE	WEIGHT. LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48.00	40'	17 1/2"	2.5 shes w/ returns to surface hole	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
NONE	

33.\* PRODUCTION

DATE FIRST PRODUCTION _____	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) NONE	WELL STATUS (Producing or shut-in) <u>PEH</u> ✓
DATE OF TEST _____	HOURS TESTED _____	CHOKE SIZE _____
PROD'N. FOR TEST PERIOD _____	OIL—BBL. _____	GAS—MCF. _____
WATER—BBL. _____	GAS-OIL RATIO _____	
FLOW. TUBING PRESS. _____	CASING PRESSURE _____	CALCULATED 24-HOUR RATE _____
OIL—BBL. _____	GAS—MCF. _____	WATER—BBL. _____
OIL GRAVITY-API (COBR.) _____		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) \_\_\_\_\_ TEST WITNESSED BY \_\_\_\_\_

35. LIST OF ATTACHMENTS \_\_\_\_\_

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

SIGNED Sherrill K. Bateman TITLE Secy/Treas. DATE 10-19-83

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