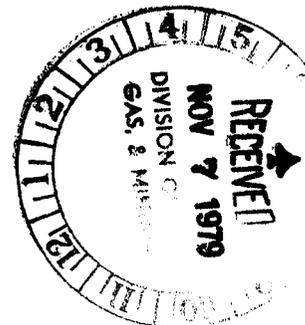


EUREKA ENERGY COMPANYA SUBSIDIARY OF **PACIFIC GAS AND ELECTRIC COMPANY**

1010 KEARNS BUILDING • 136 SOUTH MAIN STREET • SALT LAKE CITY, UTAH 84101 • (801) 359-3811

November 6, 1979



To: Mr. Tom Suchoski
Division of Oil, Gas and Mining

Eureka Energy Company has five test wells that are to be converted for testing and periodic monitoring of water levels at the Sage Point-Dugout Canyon project. On November 5, 1979, Reed Mower and Paul Anderson, representing Eureka Energy Company, met with Kidd Waddell and Greg Lines of the Water Resource Division, United States Geological Survey to determine where the wells should be perforated in order to obtain maximum information. The wells will be used currently to obtain baseline water-quality and water-level information, aquifer coefficients, and, during mining, they will be used to monitor changes in water quality and water levels.

Selected zones in the wells will be perforated in order that ground-water information can be obtained from all of the major geologic formations and coal seams. The perforated zones, measured from the logging collar in each of the wells is as follows:

Well 5-1. The casing will be perforated at the Sunny-side coal depth 1556-1567 feet; Rock Canyon coal, depth 1701-1712 feet; and Gilson coal, depth 1754-1761 feet, all in the Blackhawk Formation.

Well 10-2. The casing will be perforated at 1400-1650 feet, the approximate middle part of the Castlegate Sandstone Member of the Price River Formation.

Well 11-2. The casing will be perforated at 1200-1375 feet, about the upper one-third of the Price River Formation.

Well 19-1. The casing in this well is to be perforated at several zones. However, the only perforations that will be made in 1979 will be in the North Horn Formation at 210-230 feet and at 680-690 feet. The Water Resource Division, United States Geological Survey plans to use well-packer equipment to determine static water levels, hydraulic conductivities and to obtain water samples

from several zones in well 19-1. A copy of all the data will be given to Eureka Energy Company. Additional perforations will be made at selected zones for the packer tests as follows:

Price River Formation	840-980 feet
Castlegate Sandstone	1320-1490 feet
Sunnyside coal	1744-1750 feet
Lower Sunnyside Sandstone	1860-1870 feet
Rock Canyon coal	1890-1897 feet
Gilson Coal	1943-1954 feet.

Well 24-1. The casing will be perforated at 1100-1200 feet, at about the lower half of the Castlegate Sandstone.

The packer testing of well 19-1 will be made by the USGS about July 1, 1980. Aquifer tests will be made at the other four wells by the USGS soon after the packer tests are completed if funds are available and if results of the packer tests suggest a reasonable assurance of success. Data from the aquifer tests will be used to determine transmissivity and the feasibility of using some of the wells for water supply.

Reed W Mower

Reed W. Mower
Hydrologist

cc: John C. Osmond