

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number:

2094738

Plugging Bond Surety

20090074

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ZONE ☐ COMMINGLE ZONE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: GUNNISON ENERGY CORPORATION

4. COGCC Operator Number: 100122

5. Address: 1601 FORUM PL STE 1400

City: WEST PALM BEACH State: FL Zip: 33401

6. Contact Name: LEE FYOCK Phone: (303)296-4222 Fax: (303)296-4555
Email: LEE.FYOCK@OXBOW.COM

7. Well Name: OAK MESA UNIT HUGHES 1393 Well Number: 12-22

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 7300

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 12 Twp: 13S Rng: 93W Meridian: 6

Latitude: 38.939181 Longitude: -107.735389

Footage at Surface: 2078 FNL/FSL FNL 2513 FEL/FWL FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 9105 13. County: DELTA

14. GPS Data:

Date of Measurement: 10/17/2009 PDOP Reading: 1.9 Instrument Operator's Name: ROBERT L. KAY UINTAH ENG

15. If well is ☐ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 12690 ft

18. Distance to nearest property line: 1158 ft 19. Distance to nearest well permitted/completed in the same formation: 554

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
MANCS	MNCS			

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No Surface Surety ID#: _____

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☐ No

23b. If 23 is No ☐ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
SEE ATTACHED LEASE DESCRIPTION

25. Distance to Nearest Mineral Lease Line: 1180 ft 26. Total Acres in Lease: 1178

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☐ Offsite ☒ Onsite

Method: ☐ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: PIT

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
CONDUCTOR	26	20		60		60	0
SURF	17+1/2	13+3/8	54.5	800	585	800	0
1ST	12+1/4	9+5/8	40	3,350	790	3,350	0
2ND	9+7/8	7	26	7,300	885	7,300	2,850

32. BOP Equipment Type: ☒ Annular Preventer ☒ Double Ram ☒ Rotating Head ☐ None

33. Comments _____

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: LEE FYOCK

Title: PERMITTING Date: 1/19/2010 Email: LEE.FYOCK@OXBOW.COM

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Neslin Director of COGCC Date: 3/19/2010

API NUMBER 05 029 06108 00	Permit Number: _____ Expiration Date: <u>3/17/2012</u>
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CONDITIONS OF APPROVAL, IF ANY: _____

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

1)24 HOUR SPUD NOTICE REQUIRED. E-MAIL: Shaun.Kellerby@state.co.us 2)SURFACE CASING MUST BE RUN TO A MINIMUM DEPTH OF 925'. 3)CEMENT TOP VERIFICATION BY CBL REQUIRED. 4)THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 250 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
2094742	MINERAL LEASE MAP	LF@2216685 2094742
2585644	WELL LOCATION PLAT	LF@2280800 2585644
2585646	30 DAY NOTICE LETTER	LF@2280797 2585646
400031509	FORM 2 SUBMITTED	LF@2303726 400031509

Total Attach: 4 Files