

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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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 ☐

Document Number:

400051549

Plugging Bond Surety

20090074

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: SPADAFORA 1190 Well Number: #20-21

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

9. Proposed Total Measured Depth: 10

WELL LOCATION INFORMATION

10. QtrQtr: NE NW Sec: 20 Twp: 11S Rng: 90W Meridian: 6

Latitude: 39.090194 Longitude: -107.471458

Footage at Surface: 918 FNL/FSL 2529 FEL/FWL FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 8072 13. County: GUNNISON

14. GPS Data:

Date of Measurement: 11/18/2009 PDOP Reading: 1.8 Instrument Operator's Name: U.E.L.S.

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: 1276 ft

18. Distance to nearest property line: 1156 ft 19. Distance to nearest well permitted/completed in the same formation: 1 mi

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.)
MANCOS	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):
 Township 11 South - Range 90 West, 6th P.M., H.E.S. 73, located in Sections 17 & 20. See lease map attached.

25. Distance to Nearest Mineral Lease Line: 960 ft 26. Total Acres in Lease: 159

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: Disposal well & landspreadin

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#	6,300	1,450	6,300	0
2ND	9+7/8	7	26#	10,500	960	10,500	5,800

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

33. Comments Note: Distance to nearest well permitted/completed in the same formation is 9,825'. Entered in mud disposal information per operator. CNg 4-9-2010

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: Patty Johnson

Title: Operations Tech Date: 4/1/2010 Email: patty.johnson@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: 5/20/2010

API NUMBER

05 051 06097 00

Permit Number: _____ Expiration Date: 5/19/2012

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)COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2)CEMENT TOP VERIFICATION BY CBL REQUIRED.

3)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 487 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400051567	WELL LOCATION PLAT	LF@2448620 400051567
400051568	TOPO MAP	LF@2448621 400051568
400051569	30 DAY NOTICE LETTER	LF@2448623 400051569
400053545	FORM 2 SUBMITTED	LF@2448625 400053545
400053892	LEASE MAP	LF@2448564 400053892

Total Attach: 5 Files