

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



DE	ET	OE	ES
Document Number: 400224923			
PluggingBond SuretyID 20110179			

#### APPLICATION FOR PERMIT TO:

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

#### 2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER \_\_\_\_\_  
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐  
Sidetrack ☐

3. Name of Operator: GUNNISON ENERGY CORPORATION 4. COGCC Operator Number: 100122  
5. Address: 1801 BROADWAY #1200  
City: DENVER State: CO Zip: 80202  
6. Contact Name: Neil Allen Phone: (303)296-4222 Fax: (303)296-4555  
Email: neil.allen@oxbow.com  
7. Well Name: DGU Hotchkiss Federal 1289 Well Number: 18-H2  
8. Unit Name (if appl): Deadman Gulch Unit Number: COC74489X  
9. Proposed Total Measured Depth: 13266

#### WELL LOCATION INFORMATION

10. QtrQtr: SW NE Sec: 18 Twp: 12S Rng: 89W Meridian: 6  
Latitude: 39.017458 Longitude: -107.377611

Footage at Surface: 1488 feet FNL/FSL 2739 feet FEL/FWL FWL  
11. Field Name: WILDCAT Field Number: 99999  
12. Ground Elevation: 7341.6 13. County: GUNNISON

#### 14. GPS Data:

Date of Measurement: 07/29/2011 PDOP Reading: 1.2 Instrument Operator's Name: Robert Kay

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

Footage at Top of Prod Zone: FNL/FSL 1488 FNL 2739 FWL FWL Bottom Hole: FNL/FSL 440 FSL 1750 FEL/FWL FWL  
Sec: 18 Twp: 12S Rng: 89W Sec: 17 Twp: 12S Rng: 89W

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: 3993 ft

18. Distance to nearest property line: 2739 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 2781 ft

#### 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 #: COC65106

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):

Please see attached BLM Oil and Gas Lease COC65106. Also attached is a copy of the lease map.

25. Distance to Nearest Mineral Lease Line: 1488 ft 26. Total Acres in Lease: 1075

### 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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☒ No

31. Mud disposal: ☒ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☒ Disposal Facility Other: \_\_\_\_\_

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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	26	20	78.6#	0	102		102	0
SURF	16	13+3/8	54.5#	0	822	246	822	0
1ST	12+1/4	9+5/8	40#	0	4,322	711	4,322	0
2ND	8+3/4	7	30#	0	7,681	783	7,681	3,300
1ST LINER	6+1/8	4+1/2	11.6#	6300	13,266	658	13,266	6,300

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: Patty Johnson

Title: Operations Technician Date: 11/18/2011 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: \_\_\_\_\_ Director of COGCC Date: \_\_\_\_\_

API NUMBER

05

Permit Number: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

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.

**Attachment Check List**

Att Doc Num	Name
400224923	FORM 2 SUBMITTED
400224979	PLAT
400224980	PLAT
400224982	PLAT
400224998	TOPO MAP
400225025	OIL & GAS LEASE
400225029	SURFACE OWNER CONSENT
400225032	NRCS MAP UNIT DESC
400225034	LEASE MAP
400225530	FED. DRILLING PERMIT
400225532	DRILLING PLAN
400225535	SURFACE PLAN
400225625	FORM 2A
400225926	DEVIATED DRILLING PLAN
400225928	DEVIATED DRILLING PLAN

Total Attach: 15 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>

Total: 0 comment(s)

**BMP**

<b><u>Type</u></b>	<b><u>Comment</u></b>

Total: 0 comment(s)