

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

2172489

Date Received:

10/12/2012

PluggingBond SuretyID

20100119

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: JAVERNICK OIL

4. COGCC Operator Number: 44390

5. Address: 3040 E MAIN

City: CANON CITY State: CO Zip: 81212

6. Contact Name: JIM JAVERNICK Phone: (719)671-3787 Fax: (719)275-4590

Email: TBM3040@GTMAIL.COM

7. Well Name: CHANDLER CREEK Well Number: 24-32

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

9. Proposed Total Measured Depth: 3650

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 32 Twp: 19S Rng: 69W Meridian: 6

Latitude: 38.346448 Longitude: -105.136390

Footage at Surface: 515 feet FNL/FSL 2010 feet FEL/FWL
FSL FWL

11. Field Name: FLORENCE-CANON CITY Field Number: 24600

12. Ground Elevation: 5517 13. County: FREMONT

14. GPS Data:

Date of Measurement: 10/10/2012 PDOP Reading: 2.6 Instrument Operator's Name: MATTHEW KOCH

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
55 FSL 2050 FWL 55 FSL 2050 FWL
Sec: 32 Twp: 19S Rng: 69W Sec: 32 Twp: 19S Rng: 69W

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: 2400 ft

18. Distance to nearest property line: 500 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 2235 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.)
PIERRE	PRRE			

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):

Lease attached to well file(SW/4)

25. Distance to Nearest Mineral Lease Line: 55 ft

26. Total Acres in Lease: 160

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: BURIAL

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
SURF	11	7		0	300	120	300	0

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

33. Comments NO CONDUCTOR CASING WILL BE USED.ON 10/11/2012 JIM JAVERNICK OF JAVERNICK OIL LLC CALLED DIRK SUTPHIN OF THE COGCC TO REQUEST THE VERBAL APPROVAL TO SIDETRACK THE CHANDLER CREEK 24-32 WELL. THE NEED TO SIDETRACK WAS DUE TO THE DRIFTING OF THE ORIGINAL WELLBORE. TD OF THE EXISTING WELL BORE WAS 3710', CASING SIZE 7" SET AT A DEPTH OF 300', NO FISH WERE IN THE HOLE. THE PROPOSED PLUG WAS APPROX. 2400' WHICH WAS TO BE DONE BY FILLING THE WELLBORE FROM 3710' TO APPROX. 2400' W 10 SACK GROUT MIX A TOTAL OF 10 YARDS 2370 LBS SAND, 752 LBS CEMENT, 188 L BS FLY-ASH, 50 GAL H2O, 2 % AIR. THE PROPOSED KICKOFF POINT WAS TO BE APPROX 2700'. THE FORMATION WOULD BE THE SAME. BHL TARGET IS 55' FSL 2050 FWL LAT 38.3451961 LONG -105.1362266.

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: TOM MENHENNETT

Title: CFO-JAVERNICK

Date: 10/12/2012

Email: TBM1930@GMAIL.COM

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 10/23/2012

API NUMBER

05 043 06196 01

Permit Number: _____ Expiration Date: 10/22/2014

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) Provide 48 hour notice prior to spud via electronic Form 42.
- 2) If well is a dry hole, set 50 sks cement across surface casing shoe, 15 sks cement from 50' up in surface casing, cut off casing 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
2172489	FORM 2 SUBMITTED
2172490	DEVIATED DRILLING PLAN
2518011	CORRESPONDENCE

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	This permit is an emergency sidetrack. The need to sidetrack was due to the drifting of the original wellbore. The proposed BHL has changed as well as the surface location has moved by 150 feet. Requested a survey plat showing the surface location change. Verbal was given by Dirk Sutphin on 10/11/2012.	10/16/2012 7:10:35 AM

Total: 1 comment(s)

BMP

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

Total: 0 comment(s)