

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:

400358388

Date Received:

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER ☐ Unplanned Sidetrack
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☒

PluggingBond SuretyID

20110179

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: LEE FYOCK Phone: (303)296-4222 Fax: (303)296-4555

Email: lee.fyock@oxbow.com

7. Well Name: SPU COCKROFT 23-41D

Well Number: H1R ST2

8. Unit Name (if appl): SPAUDLING PEAK

Unit Number: COC74442X

9. Proposed Total Measured Depth: 12419

WELL LOCATION INFORMATION

10. QtrQtr: TR 45 Sec: 23 Twp: 12S Rng: 94W Meridian: 6

Latitude: 38.999319 Longitude: -107.858864

Footage at Surface: 1184 feet FNL 1275 feet FEL

11. Field Name: Wildcat

Field Number: 99999

12. Ground Elevation: 8539

13. County: DELTA

14. GPS Data:

Date of Measurement: 10/15/2012 PDOP Reading: 1.7 Instrument Operator's Name: Robert Kay - UELS

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

Footage at Top of Prod Zone: 1563 FNL 495 FEL 823 FSL 2114
Sec: 23 Twp: 12S Rng: 94W Sec: 24 Twp: 12S Rng: 94W

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: 462 ft

18. Distance to nearest property line: 470 19. Distance to nearest well permitted/completed in the same formation(BHL): 1196

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):

Please see attachments

25. Distance to Nearest Mineral Lease Line: 0

26. Total Acres in Lease: 509

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	+20	+16		0	120		120	0
SURF	12+1/4	9+5/8	40	0	2,200	675	2,200	0
2ND	8+3/4	7	26	0	7,771	682	7,771	3,312
1ST LINER	6+1/8	4+1/2	11.6	0	12,419	390	12,419	7,800

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

33. Comments Verbal approval for Sidetrack 2 was provided by Mr. Jay Krabacher via email dated December 10, 2012. A sundry was submitted on December 7 (Document # 02121811), describing why a 2nd sidetrack was required. A motor was left in the hole at about 8574' and was plugged with 90 sxs 17.1 ppg cem. The hole was estimated sidetracked at 7780-7820'. See attached Wellbore diagram. Going forward with ST2, we anticipate no change in the final BHL as was originally submitted.

34. Location ID: 417353

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: Drlg and Operations Tech Date: _____ 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

05 029 06112 01

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.

Date retrieval failed for the subreport 'IntPolicy_NTO' located at: W:\netpub\Net\Reports\policy_nto.rdl. Please check th

Attachment Check List

Att Doc Num	Name
400358526	LEGAL/LEASE DESCRIPTION
400358528	LEASE MAP
400358572	WELLBORE DIAGRAM

Total Attach: 3 Files

General Comments

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

Total: 0 comment(s)

BMP

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

Total: 0 comment(s)