

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:

400449356

Date Received:

07/17/2013

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: Brett Murray Phone: (303)296-4222 Fax: (303)296-4555

Email: brett.murray@oxbow.com

7. Well Name: Jacobs Federal Well Number: 1290 #6-32 H1

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

9. Proposed Total Measured Depth: 16620

WELL LOCATION INFORMATION

10. QtrQtr: SW NE Sec: 6 Twp: 12S Rng: 90W Meridian: 6

Latitude: 39.045075 Longitude: -107.486072

Footage at Surface: 1530 feet FNL/FSL FNL 1670 feet FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 8052 13. County: GUNNISON

14. GPS Data:

Date of Measurement: 06/14/2013 PDOP Reading: 2.0 Instrument Operator's Name: Robert L. Kay

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
1325 FNL 1142 FEL 1450 FNL 214 FEL
Sec: 6 Twp: 12S Rng: 90W Sec: 8 Twp: 12S Rng: 90W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 1096 ft

18. Distance to nearest property line: 1052 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 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 #: 069066, 07000422. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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 Separate Sheet

25. Distance to Nearest Mineral Lease Line: 0 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: Land Farming and/or 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+0/0	20	78.6	0	102			
SURF	16+0/0	13+3/8	54.5	0	800	320	800	
1ST	12+1/4	9+5/8	40	0	4400	400	4400	2000
2ND	8+3/4	7+0/0	26	0	8700	530	8700	4000
1ST LINER	6+1/8	4+1/2	12.6	7700	16620	545	16620	8200

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

33. Comments

34. Location ID: 324487

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: Brett Murray

Title: Land Manager Date: 7/17/2013 Email: brett.murray@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.

COA Type

Description

Data retrieval failed for the subreport 'IntPolicy_NTC' located at: W:\Intsub\Net\Reports\policy_ntr.rdl. Please check th

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400449356	FORM 2 SUBMITTED
400449670	TOPO MAP
400449671	PLAT
400454099	LEASE MAP
400455315	DEVIATED DRILLING PLAN
400458934	OIL & GAS LEASE
400461106	DIRECTIONAL DATA
400463225	MULTI-WELL PLAN

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Returned to draft: 1) Complete distance to nearest well. 2) Required attachments for horizontal are deviated drilling plan and XCEL dir. template. 3) No lease description or lease map attachment. 4) Indicate salt/oil based muds? 4) Distance to mineral lease is 0'. 5) Total lease acres not filled in. 6) SHL latitude/long. incorrect according to plat (use NAD 83). 7) Loc ID# must be filled in. 8) Requires related 2A to be submitted. 9) Field name must be completed; use wildcat 10) Form 4 must be submitted to report as built for existing SI well.	7/18/2013 9:18:13 AM

Total: 1 comment(s)

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>