



FORM 4 Rev 12/05

Page 1

State of Colorado Oil and Gas Conservation Commission

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



SUNDRY NOTICE

Submit original plus one copy. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full on Technical Information Page (Page 2 of this form) Identify well or other facility by API Number or by OGCC Facility ID. Operator shall send an informational copy of all sundry notices for wells located in High Density Areas to the Local Government Designee (Rule 603b.)

Form fields for operator information (OGCC Operator Number, Name, Address, City, State, Zip), contact information (Contact Name, Phone, Fax), and well/facility details (API Number, OGCC Facility ID Number, Well/Facility Name, Well/Facility Number, Location, County, Field Name, Federal, Indian or State Lease Number).

Complete the Attachment Checklist OP OGCC

General Notice

General Notice section containing checkboxes for: CHANGE OF LOCATION (Attach New Survey Plat), CHANGE SPACING UNIT, CHANGE OF OPERATOR (prior to drilling), CHANGE WELL NAME, ABANDONED LOCATION, NOTICE OF CONTINUED SHUT IN STATUS, SPUD DATE, REQUEST FOR CONFIDENTIAL STATUS, SUBSEQUENT REPORT OF STAGE, SQUEEZE OR REMEDIAL CEMENT WORK, and RECLAMATION.

Technical Engineering/Environmental Notice

Technical Engineering/Environmental Notice section with checkboxes for: Notice of Intent, Report of Work Done, Intent to Recomplete, Request to Vent or Flare, E&P Waste Disposal, Change Drilling Plans, Repair Well, Beneficial Reuse of E&P Waste, Gross Interval Changed, Rule 502 variance requested, Status Update/Change of Remediation Plans, Casing/Cementing Program Change, Other (Rqst unplanned sidetrack for Spills and Releases).

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: Patty Johnson Date: 12/6/2012 Email: patty.johnson@oxbow.com  
Print Name: Patty Johnson Title: Drilling and Operations Technician

COGCC Approved: [Signature] Title: NWAE Date: 12/10/12

CONDITIONS OF APPROVAL, IF ANY:  
see E&P's, next page

FORM  
4  
Rev 12/05

Page 2

TECHNICAL INFORMATION PAGE



RECEIVED  
DEC 04 2012  
FOR OGCC USE ONLY  
COGCC/Rifle Office

1. OGCC Operator Number: 100122 API Number: 050-029-06112-01  
2. Name of Operator: Gunnison Energy Corporation OGCC Facility ID #  
3. Well/Facility Name: SPU Cockroft 1294 Well/Facility Number: 23-41D-H1  
4. Location (QtrQtr, Sec, Twp, Rng, Meridian): NENE Section 23-T12S-R94W 6th P.M.

This form is to be completed whenever a Sundry Notice is submitted requiring detailed report of work to be performed or completed. This form shall be transmitted within 30 days of work completed as a "subsequent" report and must accompany Form 4, page 1.

5. DESCRIBE PROPOSED OR COMPLETED OPERATIONS

Gunnison Energy respectfully requests a second unplanned sidetrack of our SPU Cockroft 23-41D H1R (ST #1) well. Our current TD (as of 12/3/2012) was at 8573'. On November 29, during a routine trip out of the hole, we lost part of a mud motor (approx 23') and bit (approx 1') in the hole at approximately 8546' (estimated top of fish).

Casing Summary:  
9-5/8" surface casing set @ 2200'  
7" intermediate casing set @ 7771' (corrected depth)

With the failure of the overshot to get to bottom and a limited success rate envisioned with the taper tap coupled with the fact that we are in volcanics at TD, it was decided to set a plug and go around the fish. There is an interval where we turned to the right at 8373-8393. This was a 4 degree dogleg to the right. We will orient and drill up and to the left. This will miss the old hole. Additionally we will steer to 92.5 degrees at 8500 ft. This will hopefully pull us up 2.5 degrees and that will pull us up about 4 -6 feet before we hit the volcanics. The bottom hole sample was volcanic and it was magnetite because it interfered with the MWD and it moves on a sheet of paper when you run a magnet under it.

COGCC CONDITIONS OF APPROVAL

1. For future reference, the Form 4 Sundry should first go to Permitting (Barbara Westerdale), not Engineering. Attached to this should be:
  2. (required) Wellbore diagram. Refer to the "Guidance document" we also mentioned during our phone conversation. Send THAT (wellbore diagram) soon, please.
  3. although the Sundry Notice mentioned "set(ing) a plug" -- our Guidance Document\* (which you have) requests particulars -- measured setting depths of plug(s), cement volumes, type of cement, etc.
- \* the March 16, 2012 "UNPLANNED Sidetrack ..." doc, 4 pp.
4. The proposed sidetrack: measured depth of kick-off point.
  5. Although we presume GEC intends to achieve the same BHL objective, please indicate if this is still true, or where a new BHL is. If the BHL has changed, then STOP DRILLING! and have the new BHL (email Barb Westerdale immediately) reviewed by COGCC Permitting.
  6. As we discussed, the APD is forthcoming from GEC.