

FORM 2A Rev 04/01

State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



Table with columns DE, ET, OE, ES

Document Number: 1636646

Oil and Gas Location Assessment

New Location Amend Existing Location Location#: 323515

Submit original plus one copy. This form is to be submitted to the COGCC prior to any ground disturbance activity associated with oil and gas development operations.

Location ID: 323515 Expiration Date: 06/28/2014

This location assessment is included as part of a permit application.

1. CONSULTATION

- This location is included in a Comprehensive Drilling Plan. CDP #
This location is in a sensitive wildlife habitat area.
This location is in a wildlife restricted surface occupancy area.
This location includes a Rule 306.d.(1)A.ii. variance request.

2. Operator

Operator Number: 8840 Name: BLUE CHIP OIL INC Address: 155 E BOARDWALK DR STE 400 City: FORT COLLINS State: CO Zip: 80525

3. Contact Information

Name: TIM HAGER Phone: (970) 493-6456 Fax: (970) 232-3051 email: BLUECHIPOIL@MSN.COM

4. Location Identification:

Name: NORTH PLOUDRE Number: 2-30 County: WELD Quarter: NENE Section: 30 Township: 6N Range: 66W Meridian: 6 Ground Elevation: 4735 Define a single point as a location reference for the facility location. Footage at surface: 689 feet FNL, from North or South section line, and 663 feet FEL, from East or West section line. Latitude: 40.464160 Longitude: -104.813910 PDOP Reading: 2.0 Date of Measurement: 05/23/2011 Instrument Operator's Name: C. VANMATRE

5. Facilities (Indicate the number of each type of oil and gas facility planned on location):

Special Purpose Pits: Drilling Pits: Wells: 2 Production Pits: Dehydrator Units: Condensate Tanks: Water Tanks: 1 Separators: 1 Electric Motors: Multi-Well Pits: Gas or Diesel Motors: Cavity Pumps: LACT Unit: Pump Jacks: Pigging Station: Electric Generators: Gas Pipeline: 1 Oil Pipeline: Water Pipeline: Flare: Gas Compressors: VOC Combustor: 1 Oil Tanks: 2 Fuel Tanks: Other:

6. Construction:

Date planned to commence construction: 07/15/2011 Size of disturbed area during construction in acres: 1.25
Estimated date that interim reclamation will begin: 02/01/2012 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 4733 Will a closed loop system be used for drilling fluids: Yes
Will salt sections be encountered during drilling: Yes No Is H2S anticipated? Yes No
Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes No
Mud disposal: Offsite Onsite Method: Land Farming Land Spreading Disposal Facility
Other: _____

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 05/18/2011
Surface Owner: Fee State Federal Indian
Mineral Owner: Fee State Federal Indian
The surface owner is: the mineral owner committed to an oil and gas lease
 is the executer of the oil and gas lease the applicant
The right to construct the location is granted by: oil and gas lease Surface Use Agreement Right of Way
 applicant is owner
Surface damage assurance if no agreement is in place: \$2000 \$5000 Blanket Surety ID _____

8. Reclamation Financial Assurance:

Well Surety ID: 19910030 Gas Facility Surety ID: _____ Waste Mgmt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes No
Distance, in feet, to nearest building: 122, public road: 663, above ground utilit: 689
, railroad: 1900, property line: 663

10. Current Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: Rangeland Timber Recreational Other (describe): _____
Subdivided: Industrial Commercial Residential

11. Future Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: Rangeland Timber Recreational Other (describe): _____
Subdivided: Industrial Commercial Residential

12. Soils:

List all soil map units that occur within the proposed location. Attach the National Resource Conservation Service (NRCS) report showing the "Map Unit Description" report listing the soil typical vertical profile. This data is to used when segregating topsoil.

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

The required information can be obtained from the NRCS web site at <http://soildatamart.nrcs.usda.gov/> or from the COGCC web site GIS Online map page found at <http://colorado.gov/cogcc>. Instructions are provided within the COGCC web site help section.

NRCS Map Unit Name: KIM LOAM 1-3% SLOPES

NRCS Map Unit Name: _____

NRCS Map Unit Name: _____

13. Plant Community:

Complete this section only if any portion of the disturbed area of the location's current land use is on non-crop land.

Are noxious weeds present: Yes No

Plant species from: NRCS or, field observation Date of observation: _____

List individual species: _____

Check all plant communities that exist in the disturbed area.

- Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
- Native Grassland (Bluestem, Grama, Wheatgrass, Buffalograss, Fescue, Oatgrass, Brome)
- Shrub Land (Mahogany, Oak, Sage, Serviceberry, Chokecherry)
- Plains Riparian (Cottonwood, Willow, Aspen, Maple, Poplar, Russian Olive, Tamarisk)
- Mountain Riparian (Cottonwood, Willow, Blue Spruce)
- Forest Land (Spruce, Fir, Ponderosa Pine, Lodgepole Pine, Juniper, Pinyon, Aspen)
- Wetlands Aquatic (Bullrush, Sedge, Cattail, Arrowhead)
- Alpine (above timberline)
- Other (describe): NONE OF THE ABOVE, IRRIGATED CROP LAND

14. Water Resources:

Rule 901.e. may require a sensitive area determination be performed. If this determination is performed the data is to be submitted with the Form 2A.

Is this a sensitive area: No Yes Was a Rule 901.e. Sensitive Areas Determination performed: No Yes

Distance (in feet) to nearest surface water: 6075, water well: 1300, depth to ground water: 17

Is the location in a riparian area: No Yes Was an Army Corps of Engineers Section 404 permit filed No Yes

Is the location within a Rule 317B Surface Water Suppl Area buffer zone:

No 0-300 ft. zone 301-500 ft. zone 501-2640 ft. zone

If the location is within a Rule 317B Surface Water Supply Area buffer have all public water supply systems within 15 miles been notified: No Yes

15. Comments:

THIS FACILITY WILL SERVICE THE NORTH POU DRE #1 & 2-30 WELLS, THE NORTH POU DRE #1 WAS PERMITTED PRIOR TO THE RULE CHANGE. SECTION 5 OF THIS PERMIT REPRESENTS THE FACILITY FOR BOTH WELLS. WATER WELL PER NO. 10477-R. RIG HEIGHT IS 75'.

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

Signed: _____ Date: 05/27/2011 Email: OGP-CO@COMCAST.NET

Print Name: JOE MAZOTTI Title: REGULATORY AGENT

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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: _____

David S. Nesline

Director of COGCC

Date: 6/29/2011

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in this Form 2A for this location shall constitute representations, stipulations and conditions of approval for any and all subsequent operations on the location unless this Form 2A is modified by Sundry Notice, Form 4 or an Amended Form 2A.

Wellhead is 122' to the nearest building and the rig height is 75', the rig used to drill the subject well must not have a derrick height of greater than 2/3rds of 122 feet or 81 feet.

Attachment Check List

Att Doc Num	Name
1636646	FORM 2A
1636647	LOCATION DRAWING
1636648	HYDROLOGY MAP
1636649	ACCESS ROAD MAP
1636650	NRCS MAP UNIT DESC
1636651	PROPOSED BMPs
1694141	LOCATION PICTURES
1694145	LOCATION PICTURES

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	The rig is height is 75 feet. The building 122' from the well location is a metal storage shed.	6/16/2011 8:36:24 AM
Permit	Requesting location pictures and rig height. plg.	6/14/2011 4:47:53 PM
OGLA	Operator verbally approved the change to existing location 323515 and the change to sensitive area.	6/9/2011 12:07:45 PM
OGLA	Ready to pass 6/28/2011.	6/8/2011 12:09:58 PM
OGLA	Changed sensitive area to yes due to shallow ground water (17 ft). No COAs will be put on the 2A due to shallow ground water because the operator has stated a closed loop system will be used at the location.	6/8/2011 12:07:16 PM
OGLA	Changed location ID to ammend existing location 323515.	6/8/2011 12:06:29 PM
Permit	Corrected data enty errors BMP included as attachment only	6/7/2011 10:21:47 AM

Total: 7 comment(s)

BMP

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

Total: 0 comment(s)