

**FORM**  
**2**  
Rev  
12/05

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



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Document Number:  
1636639  
Plugging Bond Surety  
19910030

**APPLICATION FOR PERMIT TO:**

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

2. TYPE OF WELL

OIL  GAS  COALBED  OTHER \_\_\_\_\_  
SINGLE ZONE  MULTIPLE ZONE  COMMINGLE ZONE

Refiling   
Sidetrack

3. Name of Operator: BLUE CHIP OIL INC 4. COGCC Operator Number: 8840

5. Address: 155 E BOARDWALK DR STE 400  
City: FORT COLLINS State: CO Zip: 80525

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

7. Well Name: NORTH POUUDRE Well Number: 2-30

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

9. Proposed Total Measured Depth: 7901

**WELL LOCATION INFORMATION**

10. QtrQtr: NENE Sec: 30 Twp: 6N Rng: 66W Meridian: 6  
Latitude: 40.464160 Longitude: -104.813910

Footage at Surface: 689 feet FNL/FSL FNL 663 feet FEL/FWL FEL

11. Field Name: BRACEWELL Field Number: 7487

12. Ground Elevation: 4735 13. County: WELD

14. GPS Data:

Date of Measurement: 05/23/2011 PDOP Reading: 2.0 Instrument Operator's Name: C. VANMATRE

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

Footage at Top of Prod Zone: FNL/FSL 1980 FNL 663 FEL 663 FEL  
Bottom Hole: FNL/FSL 1980 FNL 663 FEL 663 FEL  
Sec: 30 Twp: 6N Rng: 66W Sec: 30 Twp: 6N Rng: 66W

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: 122 ft

18. Distance to nearest property line: 663 ft 19. Distance to nearest well permitted/completed in the same formation: 1291 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.)
CODELL/NIOBRARA	NB-CD	407-87	80	E/2 NE/4
J-SAND	JSND		80	E/2 NE/4

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

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):  
T6N-R66W: SECTION 30: E/2 NE/4

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 80

**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
SURF	12+1/4	8+5/8	24	0	400	175	400	0
1ST	7+7/8	4+1/2	11.6	0	7,901	290	7,901	6,770

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

33. Comments NO CONDUCTOR CASING WILL BE SET IN THE SUBJECT WELL. Rig height is 75' per operator.

34. Location ID: 323515

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: JOE MAZOTTI

Title: REGULATORY AGENT FOR BLUE Date: 5/27/2011 Email: OGP-CO@COMCAST.NET

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. Neslin Director of COGCC Date: 6/29/2011

API NUMBER: **05 123 33823 00** Permit Number: \_\_\_\_\_ Expiration Date: 6/28/2013

**CONDITIONS OF APPROVAL, IF ANY:** \_\_\_\_\_

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

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.

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.

- 1) Note surface casing setting depth change from 302' to 400'. Increase cement coverage accordingly and cement to surface.
- 2) Provide 24 hour notice of MIRU to Bo Brown at e-mail bo.brown@state.co.us.
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) 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
1636639	APD ORIGINAL
1636640	WELL LOCATION PLAT
1636641	TOPO MAP
1636642	30 DAY NOTICE LETTER
1636643	DEVIATED DRILLING PLAN
1636644	EXCEPTION LOC REQUEST
1636645	EXCEPTION LOC WAIVERS

Total Attach: 7 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	According to the operator: The building 122' from the well location is a metal storage shed. It's not part of the location, in discussions with the surface owner he says its no longer used and is for the most part empty. per Joe Mazotti.	6/29/2011 11:03:58 AM
Permit	Please confirm of what type of buildings are 122' from wellhead. Please see Rule 603.a.(1) and please provide the appropriate distance and rig height.	6/15/2011 8:45:10 AM
Permit	Missing plugging bond and location id	6/7/2011 8:28:19 AM

Total: 3 comment(s)

**BMP**

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

Total: 0 comment(s)