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Document Number:
 400186826
 PluggingBond SuretyID
 19860022

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: TRUE OIL LLC 4. COGCC Operator Number: 90450
 5. Address: P O BOX 2360
 City: CASPER State: WY Zip: 82601
 6. Contact Name: Lisa Smith Phone: (303)8579999 Fax: (303)4509200
 Email: lspermitco@aol.com
 7. Well Name: Breeze Unit Well Number: 41-22
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 10433

WELL LOCATION INFORMATION

10. QtrQtr: Lot 1 Sec: 22 Twp: 6N Rng: 89W Meridian: 6
 Latitude: 40.467505 Longitude: -107.355383
 Footage at Surface: 883 feet FNL 661 feet FEL
 11. Field Name: Wildcat Field Number: 99999
 12. Ground Elevation: 6524 13. County: ROUTT

14. GPS Data:
 Date of Measurement: 06/23/2011 PDOP Reading: 1.5 Instrument Operator's Name: Peter Epp

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
936 FNL 960 FEL 1114 FNL 1972 FEL
 Sec: 22 Twp: 6N Rng: 89W Sec: 22 Twp: 6N Rng: 89W

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: 460 ft
 18. Distance to nearest property line: 268 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 ft

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.)
Niobrara	NBRR			

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 - R89W: Section 22: Lots 1, 8, Section 23: Lots 1-11 and Lot 16, Section 24: Lots 1, 2, 7-10, 15 and 16

25. Distance to Nearest Mineral Lease Line: 665 ft 26. Total Acres in Lease: 915

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: Evaporation and Burial

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	24	16		0	60		60	0
SURF	12+1/4	9+5/8	36	0	1,500	375	1,500	0
1ST	8+3/4	7	23	0	8,077	725	8,077	900
1ST LINER	6+1/8	4+1/2	11.6	7900	10,433			

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

33. Comments _____

34. Location ID: _____

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: Lisa Smith

Title: President Date: 8/10/2011 Email: lspermitco@aol.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: David S. Nesline Director of COGCC Date: 11/5/2011

API NUMBER
05 107 06245 00

Permit Number: _____ Expiration Date: 11/4/2013

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.

(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) THE SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 -MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 41 FEET DEEP.

Attachment Check List

Att Doc Num	Name
2537517	WELL LOCATION PLAT
400186826	FORM 2 SUBMITTED
400193305	WELL LOCATION PLAT
400194221	SURFACE AGRMT/SURETY
400194222	DEVIATED DRILLING PLAN

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No public comments. LGD (Routt Co.) comments addressed.Comprehensive Final Review Status--passed.	9/19/2011 7:52:46 AM
Permit	ATTACHED EMAILED LEGIBLE WELL LOC. PLAT.	9/15/2011 2:30:05 PM
Permit	REQUESTED LEGIBLE WELL LOC. PLAT FROM OPERATOR.	9/13/2011 3:42:02 PM
LGD	<p>This site is the third drilling operation proposed off of CR 65. There are wildlife concerns for elk, Sage Grouse and Columbian Sharpe-tailed Grouse. Noise from drilling operations and additional fragmentation of the environment, traffic and human presence may result in negative impacts to the wildlife. Sage and Columbian Sharpe-tail Grouse are very sensitive to noise and loss of habitat.Wildlife BMP's, drilling restrictions from Dec 1st – July 30th and access restriction after drilling should be adhered to. Routt County would also recommend that a closed loop system be used.</p> <p>The land area immediately north of the site is mapped with geologic concerns for unstable slopes, earth flow and landslide.There is an existing gas line located between the geologic concerns and the excavation and construction of the well pad.A engineering study should be completed by a qualified geologicor geotechnical engineer to ensure that the proposed design of the access road and the well pad will accommodate the specific geologic conditions and not adversely affect slope stability.</p> <p>CR 65 is classified as a remote/minimal maintenance road. There is no winter maintenance (closed) and access is not recommended and at times not possible in wet conditions. This road will have to be constructed to standards acceptable to Routt County before any drilling operations are to occur. Routt County will not maintain this road and a winter access/maintenance permit will be required along with access permits and GE permits. Continued maintenance of the road will be the responsibility of the operator during the life of operations.</p>	8/12/2011 11:09:44 AM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)