

FORM

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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:

1787009

Plugging Bond Surety

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: CJOHNSON@PETRO-FS.COM

7. Well Name: STONEHOCKER Well Number: 22-8H

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

9. Proposed Total Measured Depth: 8810

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 8 Twp: 1S Rng: 67W Meridian: 6

Latitude: 39.981710 Longitude: -104.913460

Footage at Surface: 1691 FNL/FSL FNL FEL/FWL 2401 FWL

11. Field Name: SPINDLE Field Number: 77900

12. Ground Elevation: 5198 13. County: ADAMS

14. GPS Data:

Date of Measurement: 07/08/2008 PDOP Reading: 6.0 Instrument Operator's Name: RICHARD GABRIEL ALPINE CONSULTING

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

2103 FNL 1920 FWL 2103 FNL 1920 FWL

Sec: 8 Twp: 1S Rng: 67W Sec: 8 Twp: 1S Rng: 67W

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: 238

18. Distance to nearest property line: 225 19. Distance to nearest well permitted/completed in the same formation: 1220

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.)
DAKOTA	DKTA	499-15	320	N2
J SAND	JSND	232-23	320	N2
NIOBRARA CODEL	NB-CD	407-87	80	W2/NW4

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 Bon \$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):
T1S R67W - SEC 8: NW/4

25. Distance to Nearest Mineral Lease Line: 534 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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No **If 28, 29, or 30 are "Yes" a pit permit may be required.**

31. Mud disposal: Offsite Onsite

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	12+1/4	8+5/8	24	1,150	530	1,120	0
1ST	7+7/8	4+1/2	11.6	8,810	710	8,810	4,750

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

33. Comments CONDUCTOR CASING WILL NOT BE USED IN CONSTRUCTION OF THIS WELLBORE. DISTANCE TO NEAREST ROAD HAS BEEN UPDATED PER 2A EXHIBITS. ALL OTHER CONDITIONS ARE THE SAME.

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: CHERYL JOHNSON

Title: REGULATORY Date: _____ Email: CJOHNSON@PETRO-FS.CO

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 05 001 09676 00	Permit Number: _____ Expiration Date: _____
CONDITIONS OF APPROVAL, IF ANY: _____	

Attachment Check List

Att Doc Num	Name	Doc Description
1787009	APD ORIGINAL	LF@2170644 1787009
1787030	WELL LOCATION PLAT	LF@2170645 1787030
1787031	ACCESS ROAD MAP	LF@2170646 1787031
1787032	30 DAY NOTICE LETTER	LF@2170647 1787032
1787033	DEVIATED DRILLING PLAN	LF@2170648 1787033

Total Attach: 5 Files