OPLICONS, DIV FORM APPROVED Form 3160-3 DIST. 3 OMB NO. 1004-0136 (September 2001) 2006 JAN 19 Expires: January 31,2004 UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT** SF-047017 B APPLICATION FOR PERMIT TO DRILL OR REPRITER MARKET 6. If Indian, Allottee or Tribe Name If Unit or CA Agreement, Name and No. DRILL 1a. Type of Work 8. Lease Name and Well No. Oil Well X Gas Well Other Single Zone Multiple Zone Marie # 2 1b. Type of Well Name of Operator Chaparral Oil and Gas, Inc. 3a. c/o Titus Consulting P. O. Box 3b. Phone No. (include area code) (505) 486-1701 Basin Fruitland Coal Farmington, New Mexico 87499 Location of well (Report location clearly and In accordance with any State requirements.*) 11. Sec., T., R., M., or Blk. And Survey or Are At surface 1440' FSL, 1390' FEL, Latitude 36.659009 N, Longitude 107.950022 W J, Sec 13, T-28-N, R-11-W At proposed prod. zone 1440' FSL, 1390' FEL, 36.659009 N, Longitude 107.950022 W DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12. County or Parish 13. State Approximately 1.40 miles south southwest of Bloomfiled, New Mexico by air. New Mexico 17. Spacing Unit dedicated to this well 16. No. of Acres in lease 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any) 1390 1,894.08 E/2 -320 acres 19. Proposed Depth 20. BLM/ BIA Bond No. on file 18. Distance from proposed location* to nearest well, drilling, completed, 103660301 applied for, on this lease, ft. 300 2026 21. Elevations (Show whether DF. RT, GR, etc.) 22. Aproximate date work will start* 23. Estimated Duration 45840'GL 6 8 44 10 Days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form: 4. Bond to cover the operations unless covered by existing bond on file(see Well plat certified by a registered surveyor. A Drilling Plan. item 20 above). A Surface Use Plan (if the location is on National Forest System Lands, the Operator certification. 6. Such other site specific information and/ or plans as may be required by the a SUPO shall be filed with the appropriate Forest Service Office). authorized officer. 25. Signature Name (Printed/ Typed) Date David L. Harmeyer 18-Jan-06 Agent-Ellis Approved By (Signature) Name (Printed/ Typed) Date Title Office Application approval does not warrant of certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to co operations thereon. Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* (Instructions on reverse)

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State of New Mexico
Energy. Minerals & Mining Resources Department
OL CONSERVATION DIVISION,
2040 South Pacheco 2006 JRN 19 RM 8 34

Form C - 102

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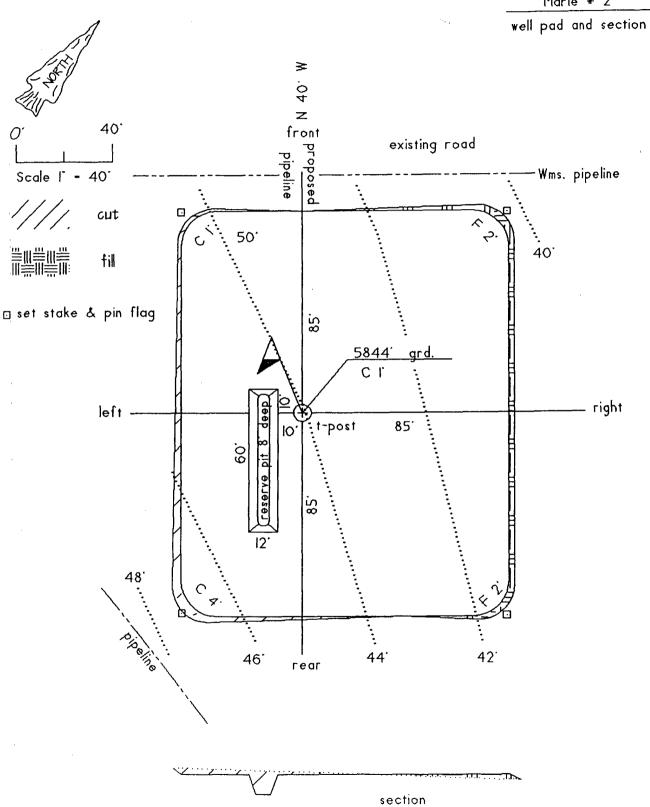


Exhibit C TEN-POINT PROGRAM/ OPERATIONS PLAN CHAPARRAL OIL & GAS, INC.

Well name:

Marie # 2

Location:

1440' FSL, 1390' FEL, J, Sec. 13, T-28-N, R-11-W

San Juan County, NM

Formation:

Basin Fruitland Coal

1. The geological surface formation is: Fruitland Coal and Pictured Cliffs

2. The tops of important geological markers: (based on existing log information)

Ojo Alamo

890'

Pictured Cliffs

1876'

3. Estimated depths of anticipated water, oil, gas, or minerals:

Substance	Formation	Anticipated Depth
Gas	Fruitland Coal	2026'

4. The Casing Program:

Depth	Hole Size	Casing O.D.	Wt.	Grade	Type	New/Used
0-650'	8 3/4"	7"	20#	J-55	ST&C	New
650-2026'	6 1/4"	4 1/2"	10.5#	J-55	ST&C	New

Proposed Cement Program: To effectively isolate and seal off all water, oil, gas and coal bearing strata encountered by the utilization of spacer and centralizers at the base of the Ojo Alamo formation as specified by NTL-FRA 90-1 III.B and API standards; and by using cement volumes as follows: (Exact volumes to be determined from logs):

Surface: 196 Cu Ft(166Sx) Class B w/ 0.25# Flocele/ Sx w/5#/Sk Gilsonite plus 2% CaCl (100% Excess).

Production: 85 Cubic Feet (42 Sacks Lite Standard Cement w/ 2% Metasilicate + 0.25 pps Flocele mixed to 12.4 ppg followed by 162 Cubic Feet (134 Sacks) Standard w/ 0.6% Halad-322 mixed to 15.6 ppg w/ caliper plus 25% excess in both slurries. Grand Totals: 247 Cubic Feet (176 Sacks).

5. Operators Minimum Specifications for pressure control:

Expected bottom hole pressure 300 psi or less.

Exhibit E is a schematic of the blowout preventer used by a local contractor for other wells in the area. The BOP to be used is an annular BOP with screwed connections with high-pressure inlet and outlet hoses, all tested to 750 psi minimum.

Exhibit C TEN-POINT PROGRAM CHAPARRAL OIL & GAS, INC.

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Marie # 2

Location:

1440' FSL, 1390' FEL, J, Sec. 13, T-28-N, R-11-W

San Juan County, NM

Formation:

Basin Fruitland Coal

6. The type and characteristic of the proposed circulating muds:

Surface Casing: Spud flocculating bentonite with lime.

Production Casing: Low solids non-disbursing system.

Interval	Mud Weight	Viscosity	Fluid Loss	Ph	Additives
0-650'	9.0	45		9	Gel, Limes
650'-TD	8.6-9.2	30-50	<15cc	9	Additives as needed to
					maintain viscosity

7. Auxiliary Equipment to be used is as follows:

- a. Float valve above bit.
- b. Monitoring of mud system will be visual.
- c. A safety valve and subs to fit all drill strings will be used.

8. Testing, logging and coring will be as follows:

- a. Cores: None
- b. Drill stem tests: none anticipated.
- c. Logs will include: High Resolution Induction w/ Gamma Ray, SP, Caliper, Microlog, Spectral Density and Dual Spaced Neutron Microlog; all from Total depth to the surface casing shoe.

9. Anticipated Abnormal Pressures and temperatures:

No abnormal pressures, temperatures, or Hydrogen Sulfide gases are anticipated during the completion of this well.

10. Anticipated starting date and duration of operations:

The anticipated starting date is January 6, 2006. The drilling operations should be completed within 15 days after rig-up date. Completion will be done as equipment availability and weather permit.

B21 Jalyman

Date: 11-16-05 Drilling Engineer:

Page 2

BLOW OUT PREVEN

