

OIL CONSERVATION DIV

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11 June 2002

Mr. William C. Olson New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: South Langlie Jal Unit (AP-18)

Dear Bill:

This letter is to inform the State of New Mexico Oil Conservation Division that we were unable to start the first phase of our Abatement Plan on this unit as initially planned. Despite months of good faith negotiations we still do not have a surface damage or a long term use agreement with Mr. Osborn. To move in and start the necessary investigative work without these agreements would not be prudent for any lease operator. Chaparral is still attempting to find common ground with Mr. Osborn.

Chaparral Energy Inc.'s environmental consultant, Whole Earth Environmental, was to have started drilling investigative bore holes and monitoring wells on Monday, 10 June 2002, but they were told to wait until such time as an agreement can be reached. According to Mr. Mike Griffin, President of Whole Earth Environmental, it may be early August before his group can return to the site and start work. Hopefully, it will be sooner than that. Accordingly, Chaparral is not requesting an extension of time to complete this phase of the plan until we know for certain that Whole Earth cannot make the 31 July 2002 deadline. Should it come to pass that an agreement cannot be reached, or that Whole Earth cannot be on site any earlier than August, Chaparral will let your Division know of the problems and request an extension as dictated by the facts of the case.

Should you require anything further, please let me know.

Sincerely,

Robert C. Lang IV, REM, CEA

Environmental, Health & Safety Manager

cc: Chris Williams, Hobbs Office

OCD Exhibit No. 22.

Case No. 13061

July 15, 2003 Sept 2, 2004

