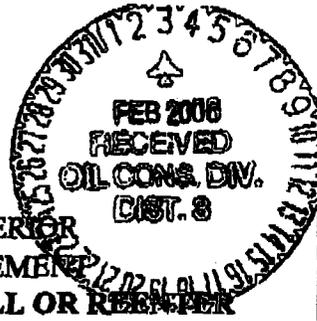


Form 3160-3
(September 2001)



FORM APPROVED
OMB NO. 1004-0136

Expires: January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

2006 JAN 10 10 53 AM '06
5. U.S. Dept. of the Interior

RECEIVED
SEP 10 4 04 70 7 B

6. If Indian, Allotment or Tribal Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
Sally # 4 35414

9. API Well No.
30-0445-33539

10. Field and Pool, or Exploratory
Busia Fruitland Coal 71629

11. Sec., T., R., M., or Blk. And Survey or Area
F, Sec. 24, T-28-N, R-11-W

12. County or Parish
San Juan

13. State
New Mexico

1a. Type of Work DRILL REENTER

1b. Type of Well Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
Chaparral Oil and Gas, Inc. 4115

3a. c/o Titus Consulting P. O. Box 962
Farmington, New Mexico 87499

3b. Phone No. (include area code)
(505) 486-1701

4. Location of well (Report location clearly and in accordance with any State requirements.)
At surface 1475' ENL, 1635' FWL, Latitude 36.650987 N, Longitude 107.957944 W
At proposed prod. zone 1475' ENL, 1635' FWL, Latitude 36.650987 N, Longitude 107.957944

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 1.8 miles southeast of Bloomfield, New Mexico by air.

15. Distance from proposed* location to nearest property or lease line, ft.
(Also to nearest ddrig unit line, if any) 1635'

16. No. of Acres in lease
1,894.08

17. Spacing Unit dedicated to this well
W/2 - 320

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 100'

19. Proposed Depth
1960'

20. BLM/ BIA Bond No. on file
103660301

21. Elevations (Show whether DF, RT, GR, etc.)
5460' GL 5758'

22. Approximate date work will start*
9-Jan-06

23. Estimated Duration
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:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by existing bond on file(see item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/ or plans as may be required by the a authorized officer.

25. Signature Name (Printed/ Typed) S. Max Libby Date 1/18/2006

Agent-Ellis & Associates

Approved By (Signature) Name (Printed/ Typed) Office Title

Application approval does not warrant or 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)

This application is subject to technical and financial review. For more information, call 3165.3 or 3165.4

OIL CONSERVATION DIVISION MOGD

CASE NUMBER
EXHIBIT NUMBER 2