

SITE SECURITY PLANS

Chaparral Energy, Inc. (Chaparral), as an operator of an onshore Federal Oil and Gas Lease, the Llano Federal, shall comply with the minimum site security standards as outlined in TITLE 43 of the Code of Federal Regulations.

1. All appropriate valves on lines entering or leaving oil storage tanks shall be effectively sealed during the production phase, and during the sales phase. Any tank from which sales is to be made must be, prior to sales, completely isolated by use of seals. During the sales phase, only the sales outlet valve may be opened. Once the sale is completed, the sales valve is required to be closed and sealed, and valves on the other lines opened as needed for production.
2. For a minimum of six years, Chaparral shall maintain a record of seal numbers used, and shall document on which valves or connections they were used as well as when they were installed and removed.
3. There shall be no bypass piping around gas meters, since permanent installation of such piping, whether sealed or unsealed, presents opportunity for unauthorized and undocumented removal of production from the lease.
4. Chaparral shall minimize the time that oil is stored, to that time needed to accumulate an economic run. Chaparral's lease pumper may retain that oil needed for use on the lease.
5. Chaparral will deal promptly with any other accumulations of oil in pits or tanks in accordance with the provisions of Section 221.36 and applicable NTL's on onshore orders.
6. Lease pumper shall inspect the lease with reasonable frequency to determine site security and production volumes. Chaparral shall retain records of such inspections and measurements for six years.
7. Facility shall be clearly identified with a sign that contains the name of the operator; the lease serial number (or communitization or unit agreement identification); and the quarter-quarter, section, township, and range as follows:

Chaparral Energy, Inc.
Llano Federal #1
NM-17252
NE/4 of SE/4
Sec. 31, T-20-S, R-39-E
Lea County, N.M.

SITE SECURITY PLANS

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8. Each storage tank shall be clearly identified by a unique number:

Water Tank

Oil Tank # - 12788

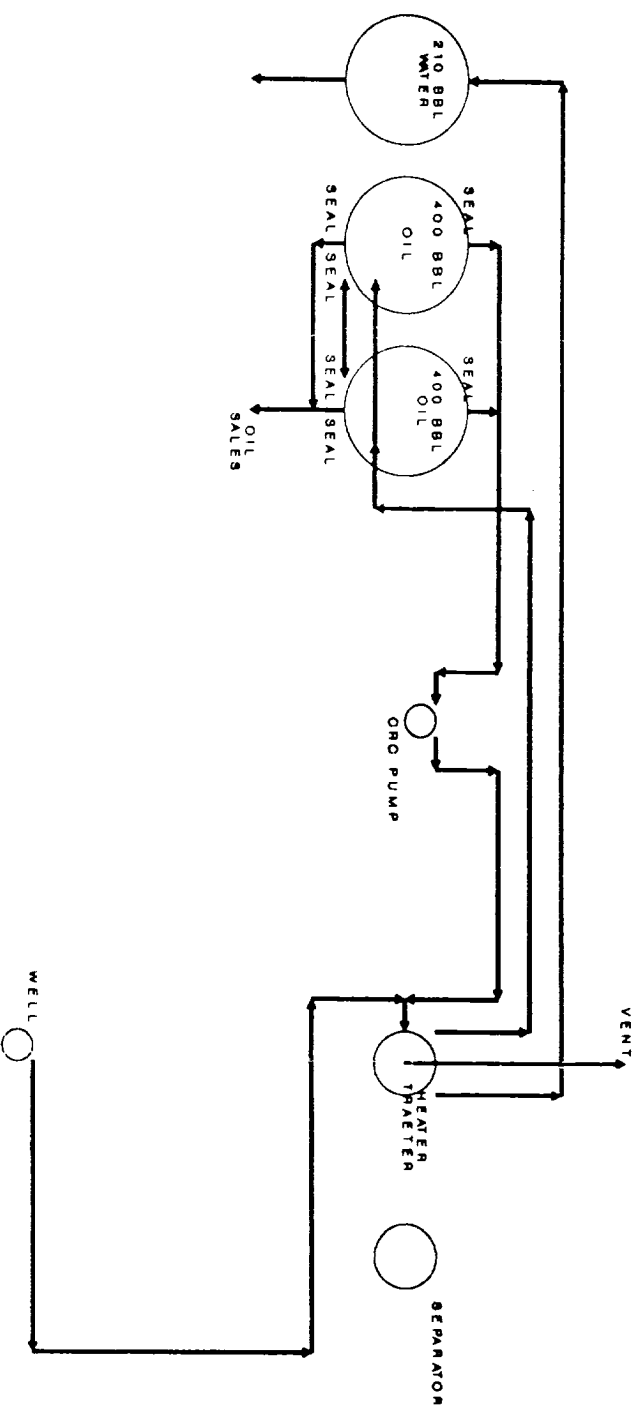
Oil Tank # - Not used

9. Any person removing oil from a facility by motor vehicle shall possess the identification documentation required by applicable NTL's or operating orders while the oil is being removed and transported.

10. Theft or mishandling of oil must be reported to the Bureau of Land Management in Hobbs, New Mexico as soon as possible, but no later than the next business day. Local law enforcement agencies are to be notified promptly.



Mark A. Fischer, President



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CHAPARRAL ENERGY, INC.
 LLANO FEDERAL #1
 UNIT 1 SEC 31 T 20S R 39E
 LEA COUNTY, NEW MEXICO
 LEASE NO. NM - 17252
 MAY 5, 1993

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator
Chaparral Energy, Inc.

Address
1800 E. Memorial, Suite 106, Oklahoma City, Oklahoma 73131

Reason(s) for filing (Check proper box)

<input type="checkbox"/> New Well	Change in Transporter of:	
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Oil	<input type="checkbox"/> Dry Gas
<input checked="" type="checkbox"/> Change in Ownership	<input type="checkbox"/> Casinghead Gas	<input type="checkbox"/> Condensate

Other (Please explain)

If change of ownership give name and address of previous owner Hadson Petroleum (USA) Inc., 921 W. Sanger, Hobbs, NM 88240

II. DESCRIPTION OF WELL AND LEASE

Lease Name Llano Federal	Well No. 1	Pool Name, including Formation Sandhills-Grayburg San Andres	Kind of Lease State, Federal or Fee Federal	Lease No. NM-17252
Location Unit Letter I ; 1650 Feet From The South Line and 330 Feet From The East Line of Section 31 Township 20S Range 39E , NMPM, Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Navajo Crude Oil Purchasing Co.	Address (Give address to which approved copy of this form is to be sent) PO Box 175, Artesia, NM 88210
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Texaco Producing, Inc.	Address (Give address to which approved copy of this form is to be sent) PO Box 3000, Tulsa, OK 74102
If well produces oil or liquids, give location of tanks. Unit I Sec. 31 Twp. 20S Rge. 39E	Is gas actually connected? Yes When 6/1/82

If this production is commingled with that from any other lease or pool, give commingling order number:

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

Lou K Hardy
(Signature)
Secretary
10/10/88
(Date)

OIL CONSERVATION DIVISION

APPROVED FEB 02 1989, 19
BY Paul Kautz
Geologist
TITLE _____

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator
HADSON PETROLEUM (USA) Inc.

Address
921 West Sanger, Hobbs, NM 88240

Reason(s) for filing (Check proper box) Other (Please explain)

<input type="checkbox"/> New Well	Change in Transporter of:	<input type="checkbox"/> Oil	<input type="checkbox"/> Dry Gas
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Casinghead Gas	<input type="checkbox"/> Condensate	
<input checked="" type="checkbox"/> Change in Ownership			

If change of ownership give name and address of previous owner MINERALS, INC., 921 W. Sanger, Hobbs, NM 88240

II. DESCRIPTION OF WELL AND LEASE

Lease Name Llano Federal	Well No. 1	Pool Name, including Formation Sandhills-Grayburg San Andres	Kind of Lease State, Federal or Fee Federal	Lease No. NM-17252
Location Unit Letter I : 1650 Feet From The South Line and 330 Feet From The East Line of Section 31 Township 20S Range 39E , NMPM, Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Navajo Crude Oil Purchasing Co.	Address (Give address to which approved copy of this form is to be sent) P. O. Box 175, Artesia, NM 88210
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Texaco Producing, Inc.	Address (Give address to which approved copy of this form is to be sent) P. O. Box 3000, Tulsa, OK 74102
If well produces oil or liquids, give location of tanks.	Unit Sec. Two. Rge. Is gas actually connected? when I 31 20S 39E Yes 6-1-82

If this production is commingled with that from any other lease or pool, give commingling order number:

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

C.M. BATES

(Signature)

Drilling & Production Engineer

(Title)

6-5-87

(Date)

OIL CONSERVATION DIVISION

APPROVED JUN 11 1987

BY Orig. Signed by Paul Kautz Geologist

TITLE

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