

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF078883
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator HUNTINGTON ENERGY, L.L.C. <i>2087026</i>		7. If Unit or CA Agreement, Name and No. CANYON LARGO UNIT <i>32660</i>
Contact: CATHY SMITH E-Mail: csmith@huntingtonenergy.com		8. Lease Name and Well No. CANYON LARGO UNIT 461
3a. Address 6301 WATERFORD BLVD., SUITE 400 OKLAHOMA CITY, OK 73118	3b. Phone No. (include area code) Ph: 405.840.9876 Ext: 0 Fx: 405.840.2011	9. APL Well No. <i>30-039-27748</i>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSE Lot O Tract 25 925FSL 1525FEL At proposed prod. zone SWSE Lot O Tract 25 925FSL 1525FEL		10. Field and Pool, or Exploratory BASIN DAKOTA
14. Distance in miles and direction from nearest town or post office* 34 MILES SE OF BLANCO, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 6 T25N R6W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease 320.00	12. County or Parish RIO ARRIBA
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 7600 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6836 GL	22. Approximate date work will start 09/01/2004	17. Spacing Unit dedicated to this well <i>322.11 E/H</i>
23. Estimated duration		18. BLM/BIA Bond No. on file NMB000076

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 an 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 authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) CATHY SMITH	Date 05/17/2004
Title GENERAL CONTACT		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date <i>7-15-04</i>
Title <i>AFM</i>	Office <i>FFO</i>	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct 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.

Additional Operator Remarks (see next page)

Electronic Submission #30753 verified by the BLM Well Information System
For HUNTINGTON ENERGY, L.L.C., sent to the Farmington

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

NMOCD

DISTRICT II
811 South First, Artesia, N.M. 86210

DISTRICT III
1000 Rio Brazos Rd., Artesia, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Cc
Fee Lease - 3 Cc

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30039-27748	² Pool Code 71594	³ Pool Name Basin Dakota
⁴ Property Code 6886	⁵ Property Name CANYON LARGO UNIT	⁶ Well Number 461
⁷ OGED No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	⁹ Elevation 6836'

¹⁰ Surface Location

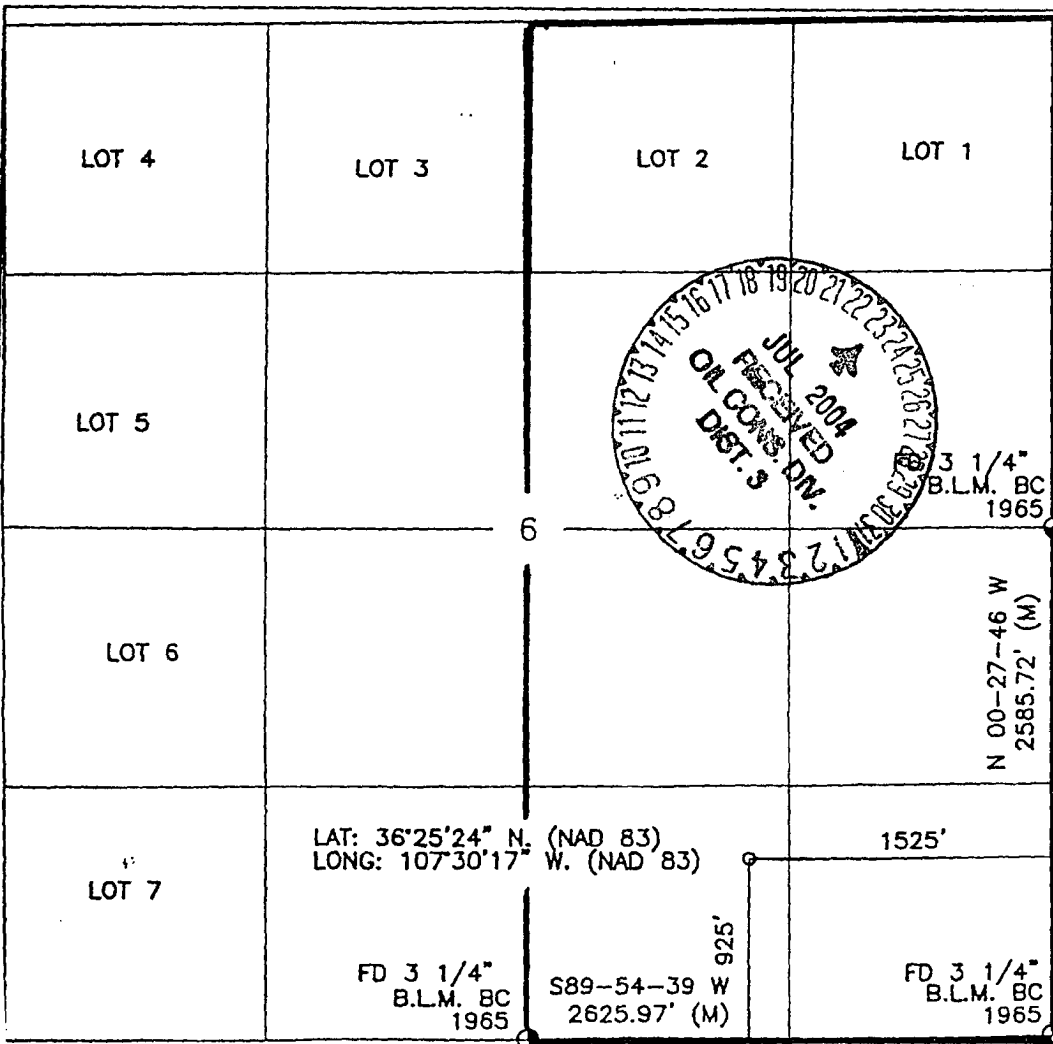
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	6	25-N	6-W		925	SOUTH	1525	EAST	RIO ARriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 322.11	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Catherine Smith
Signature
Catherine Smith
Printed Name
Land Assoc.
Title
4/6/04
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

3 DAVID A. JOHNSON
Date of Survey
Signature and Seal of Professional Surveyor
14827
14827
Certificate Number

OPERATIONS PLAN

Well Name: **Canyon Largo Unit #461**
Location: 925' FSL, 1525' FEL, SE/4 Sec 6, T-25-N, R-6-W NMPM
 Rio Arriba County, NM
Formation: Basin Dakota
Elevation: 6836' GL

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	2200'	
Ojo Alamo	2200'	2381'	aquifer
Kirkland	2381'	2588'	gas
Fruitland	2588'	2862'	gas
Pictured Cliffs	2862'	2940'	gas
Lewis	2940'	3248'	gas
Huerfano Bentonite	3248'	3715'	gas
Chacra	3715'	4453'	gas
Massive Cliff House	4453'	4504'	gas
Menefee	4504'	5131'	gas
Menefee Point Lookout	5131'	5342'	gas
Mancos	5342'	6263'	gas
Gallup	6263'	7046'	gas
Greenhorn	7046'	7109'	gas
Graneros	7109'	7150'	gas
Dakota	7150'	7467'	gas
Morrison	7467'		gas
TD	7600'		

Logging Program:

Open hole – Neutron-Density, Microlog – TD to minimum operations depth, DIL-GR – TD to surface
 Cased hole – CBL-CCL-GR – TD to surface
 Cores – none
 Mud log – TD to 6000'

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0 – 320'	Spud	8.4-8.9	40-50	no control
320 - 7600'	LSND	8.4-9.0	40-60	8-12

Pit levels will be visually monitored to detect gain or loss of fluid control.

Casing Program:

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' – 320'	8 5/8"	24.0#	WC-50
7 7/8"	0' – 7600'	4 1/2"	11.6#	N-80

Tubing Program:

0' – 7600' 2 3/8" 4.7# J-55

BOP Specifications, Wellhead and Tests:

Surface to TD –

11" 3000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out surface casing, rams and casing will be tested to 600 psi for 30 minutes.

2" nominal, 3000 psi minimum choke manifold (Reference Figure #3).

Completion Operations:

6" 3000 psi double gate BOP stack (Reference Figure #2). After nipple-up prior to completion, pipe rams and casing top will be tested to 3000 psi for 15 minutes.

Surface to Total Depth:

2" nominal, 3000 psi minimum choke manifold (Reference Figure #3).

Wellhead:

8 5/8" x 4 1/2" x 1 1/2" x 1 1/2" x 3000 psi tree assembly.

General:

- Pipe rams will be actuated once each day and blind rams will be actuated once each trip to test proper functioning.
- An upper Kelly cock valve with handle available and drill string valves to fit each drill string will be available on the rig floors at all times.
- A BOP pit level drill will be conducted weekly for each drilling crew.
- All of the BOP tests and drills will be recorded in the daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing:

8 5/8" surface casing –

Cement to surface w/336 sx Class "B" cement w/3% calcium chloride and 1/4#/sx cellophane flakes (396 cu. ft. of slurry, 200% excess to circulate to surface.)

WOC 8 hr. prior to drilling out surface casing. Test casing to 600 psi for 30 minutes.

Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

Production Casing – 4 1/2"

Circulate cement

Lead with 800 sx 9.5 ppg Litecrete Blend w/0.11% dispersant, 0.5% fluid loss.

Tail w/407 sx Class "G" cement w/3% gel, 0.25 pps Celloflake, 5 pps Gilsonite, 0.25 pps fluid loss, 0.15% dispersant, 0.1% retardant, 0.1% antifoam (Slurry volume: 2603 cu. ft. Excess slurry 50%).

Alternate Two-stage cement job as follows:

First Stage: Cement to circulate to stage tool @ 5066'. Lead with 700 sx Class "G" 50/50 poz (13#, 1.47 yd) w/3% gel, 0.25 pps Celloflake, 5 pps Gilsonite, 0.25 pps Fluid loss, 0.15% dispersant, 0.1% retarder. WOC 4 hours prior to pumping second stage. (Slurry volume: 1029 cu. ft. Excess slurry: 50%). DV Tool at 5000 ft.

Second Stage: Cement to circulate to surface. Cement with 670 sx Class "G" (12#, 2.9yd) TXI Liteweight cement w/2.5% sodium metasilicate, 2% calcium chloride, 10 pps Gilsonite, 0.5 pps Celloflake, 0.2% antifoam. WOC a minimum of 18 hours prior to cleanout. (Slurry volume: 1914 cu. ft. Excess slurry: 50%). Tail w/50 sx Class "B" w/1/4# Flocele (15.6#, 1.18yd), (Slurry 59 cu ft, Excess 50%).

Float shoe on bottom. Three centralizers run every other joint above shoe. Thirty-five centralizers – one every 4th joint to the base of the Ojo Alamo @ 2448'. Two turbolizing type centralizers – one below and one into the base of the Ojo Alamo @ 2448'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

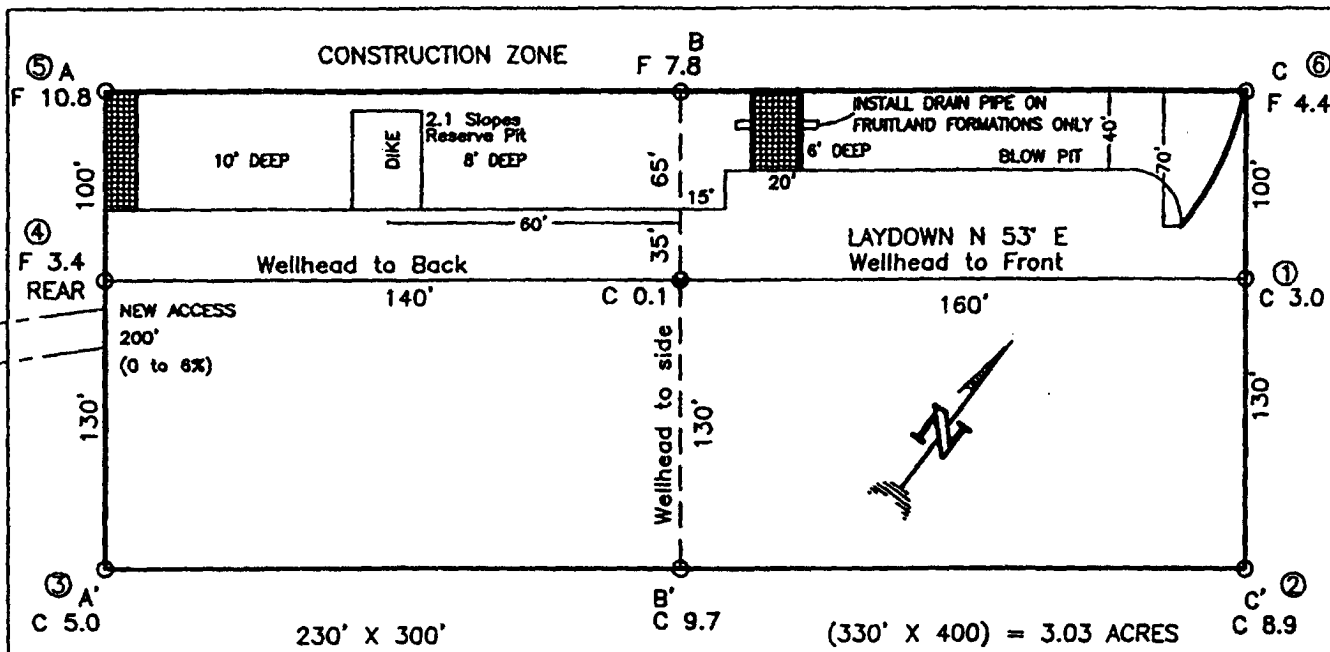
Additional Information:

The Dakota formations will be completed.

- No abnormal temperatures or hazards are anticipated.
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The east half of the Section 13 is dedicated to this well.
- This gas is dedicated.
- Anticipated pore pressure

Fruitland Coal	300 psi
Pictured Cliffs	500 psi
Mesa Verde	700 psi
Dakota	3000 psi

HUNTINGTON ENERGY, LLC / BURLINGTON RESOURCES OIL & GAS CO. LP
CANYON LARGO UNIT 461, 925 FSL 1525 FEL
SECTION 6, T-25-N, R-6-W, N.M.P.M., RIO ARriba COUNTY, NEW MEXICO
GROUND ELEVATION: 6836, DATE: FEBRUARY 23, 2004

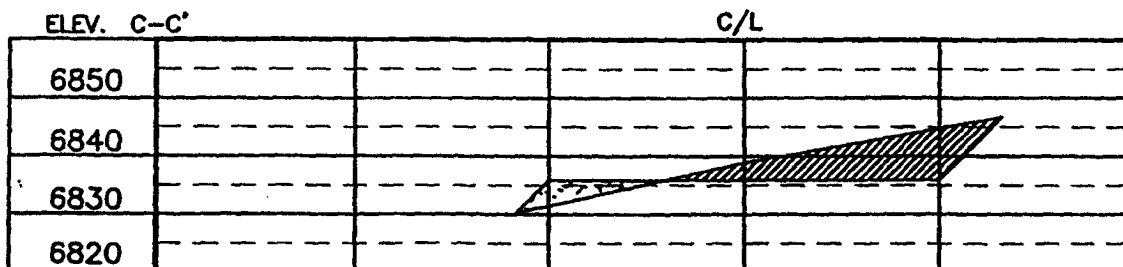
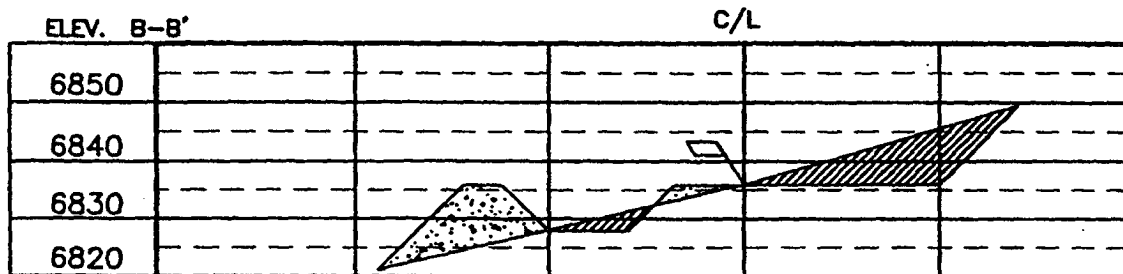
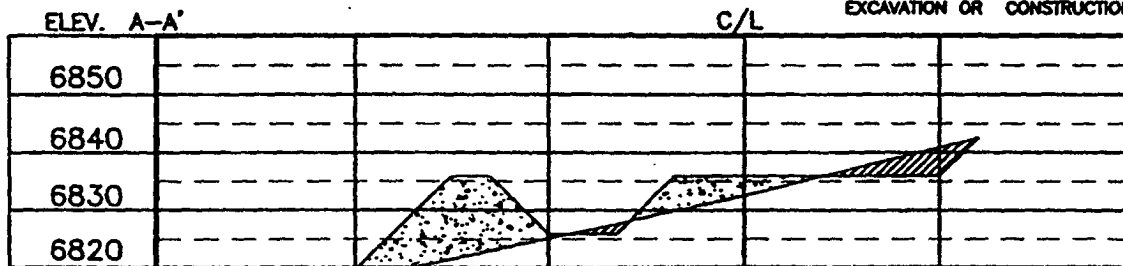


BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.


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NOTE:

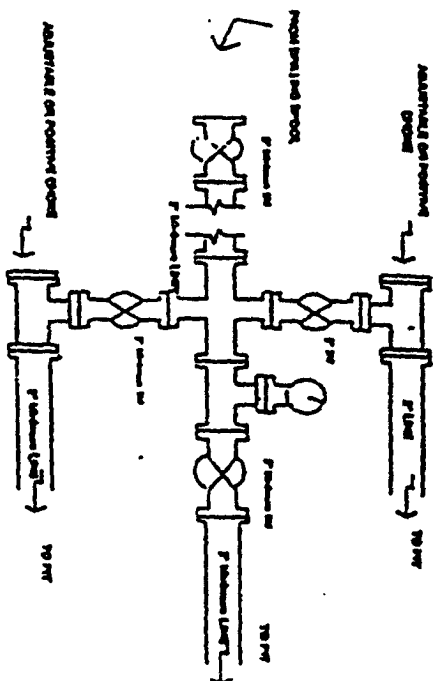
**DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR
UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO
ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO
EXCAVATION OR CONSTRUCTION.**



NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

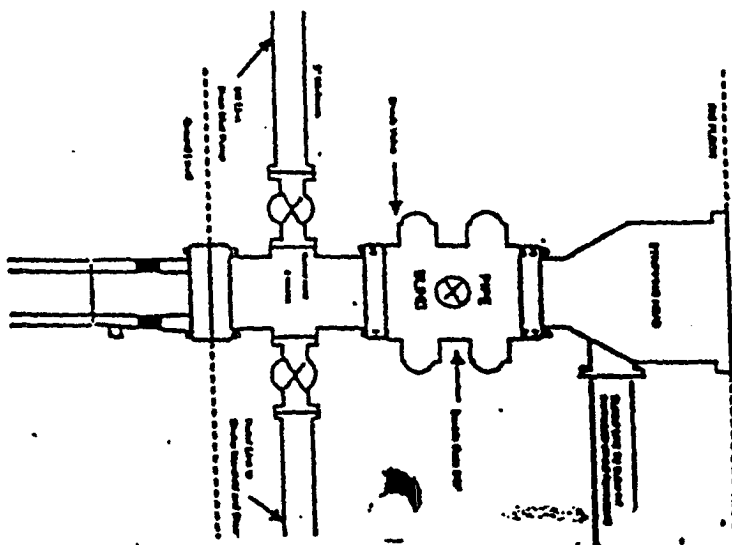
	<p>Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15088 • Farmington, NM 87401 Phone (505) 336-1772 • Fax (505) 336-8019</p>	<p>NEW MEXICO L.S. No. 14827</p>
<p>EXP. DATE</p>	<p>EXP. DATE</p>	<p>DATE: 03/16/04</p>
<p>EXP. DATE</p>	<p>EXP. DATE</p>	<p>DATE: 03/16/04</p>

**Competition/Workover Rig
BOP Configuration
3,000 psi System**



Chad's monthly production from Surface Casting Pools in Total Depth, 3,000psi working pressure equipment with two chucks.

Figure 1



Maximum BOP installation for all Completion/Workover Operations, 7-1/8" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A latching head to be installed on the top of the BOP. All BOP equipment to 2000 psi working pressure or greater excluding 800 psi latching