

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



March 12, 2013

Huntington Energy, L.L.C.
Attn: Ms. Catherine Smith

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6775
Administrative Application Reference No. pPRG1304646804

Huntington Energy, L.L.C.
OGRID 208706
Barker Dome Well No. 20
API No. 30-045-11351

Proposed Location:

| <u>Footages</u> | <u>Unit</u> | <u>Section</u> | <u>Township</u> | <u>Range</u> | <u>County</u> |
|---------------------|-------------|----------------|-----------------|--------------|---------------|
| 1650 FNL & 2310 FEL | G | 21 | 32N | 14W | San Juan |

Proposed Unit:

| <u>Description</u> | <u>Acres</u> | <u>Pool</u> | <u>Pool Code</u> |
|--------------------|--------------|----------------------|------------------|
| NE/4 of Section 21 | 160 | Barker Creek; Dakota | 71520 |

Reference is made to your application received on February 15, 2013.

You have requested approval of an unorthodox gas well location described above in the referenced pool or formation. This location is governed by statewide Rule 15.10.C [19.15.15.10.C NMAC], which provides for 160-acre units with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from a unit outer boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location in order to utilize an existing wellbore.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

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Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with a large initial "J" and "B".

Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Aztec
United States Bureau of Land Management