5/18/07 - White M. D. May. 07 NSL

PCLP0714232482

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1111 South St. Francis Drive, Santa Fe, NM 87505





ADMINISTRATIVE APPLICATION CHECKLIST

| าหร | (DHC-Dow (PC-P | indard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] withole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] ool Commingling] [OLS - Off-Lease Storage]. [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] alified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] |
|-------------|-------------------|---|
| . i | | PPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD |
| | Ciesei P | Con: Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM |
| | ; () | Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WEX PMX SWD IPI BOR PPR |
| | , [;] | Other: Specify |
| %() | HEIC XI | ION REQUIRED TO: - Check Those Which Apply, or — Does Not Apply [1] — Working, Royalty or Overriding Royalty Interest Owners |
| | (18) | Offset Operators, Leaseholders or Surface Owner |
| | | Application is One Which Requires Published Legal Notice |
| | 17 | Notification and or Concurrent Approval by BLM or SLO (1994), thank Management of most some Purker Lands State Earls (1994) |
| | | Lor all of the above. Proof of Notification or Publication is Attached, and or. |
| | : | Warvers are Attached |
| | | CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE AHON INDICATED ABOVE. |
| | (111 IC X | HON: The second of the first proportion submitted with this application for admits the complete the second of the second of the second of the first proportion will be taken |



May 17, 2007

2007 MAY 18 AM 9 25

Mr. Will Jones New Mexico Oil Conservation Division 1220 S. Saint Francis Drive Aztec, NM 87505

Re:

Canyon Largo Unit #457 SW/4 Sec 36, T25N-R7W Rio Arriba Co., NM

Dear Mr. Jones:

Enclosed is the information necessary for approval for Non-Standard Location approval for the above referenced well.

Thank you for your consideration. I will contact you next week regarding the status. If you need any additional information, please contact me at (405) 840-9876 ext. 129.

Sincerely,

Catherine Smith Land Associate

0,30

Huntington Energy, L.L.C.

Canyon Largo Unit #457 Non-Standard Location:

The above referenced well was completed on a 320 acre tract in Sec 36, T25N-R7W, Rio Arriba Co., NM, in the Dakota Formation. Due to sub-economic production, Huntington Energy, L.L.C. has requested approval to complete in the Gallup formation, which is a 160 ac tract with associated pool setbacks. The well footages are 1150' FSL & 1310' FWL. The well is then located 10' from the quarter/quarter lines. Therefore, we are requesting approval to recomplete in the Gallup.



May 3, 2007

ConocoPhillips Company
P.O. Box 4289
Farmington, New Mexico 87499-4289

Attn: Benson W. Malone Staff Landman

Re: Waiver of Non-Standard Location CLU Well # 457, 1310' FWL & 1150' FSL of SW/4 of Section 36, T25N-R7W Rio Arriba County, NM

Gentlemen;

Pursuant to that certain Farmout Agreement Non Participating Area Acreage, Huntington Energy, L.L.C. drilled and completed the referenced CLU No. 457 well as a Dakota earning well. The CLU No. 457 well has been deemed non-commercial by Burlington and the BLM. Therefore, Huntington now has plans to re complete said well in the Gallup Formation in accordance with the provisions of said Farmout Agreement.

However, in order to obtain a permit from the Sate of New Mexico for this Gallup recompletion, it is necessary to obtain a Waiver of a Non-Standard Location from Burlington Resources Oil & Gas Company LP/ConocoPhillips Company, the offset operator, since the well's location is within 10 feet of the Quarter Quarter line of the SW/4 of Section 36, T25N-R7W.

Therefore, pursuant to the above, Huntington Energy, LLC respectfully requests Burlington Resources Oil & Gas Company/ConocoPhillips Company's approval of the CLUNG 457's Non-Standard Location for this Gallup re-completion, described above, and waive any objections thereto. If you agree, please signify your approval by executing below, and returning this waiver to my attention.

Sincerely.

David M. Herritt Member Burlington Resources Oil & Gas Company LP By BROG GP Inc., its sole General Partner

William Rainbolt, Attorney-in-Fact

DESTRUCT T 1825 fl. French Dr., Hobbs, R.M. 88240

State of New Mexico

Form C Revised August 15.

DESTRICT II 811 South First, Artesia, N.M. 88210

DISTRICT III 1000 Bio Brazos Rd., Axtec, N.M. 87410

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Submit to Appropriate District (
State Lease - 4 C
Fee Lease - 3 C

DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REF

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| UL or lot no. | Section | Township | - Botto | om Hole | Location | n If | Different Fro | om S | Surface | | <u>, , , , , , , , , , , , , , , , , , , </u> | |
| 02 04 000 | | 100minp | Range | Lot Idn | Feet from U | | North/South line | | from the | Zast/Wes | et line | County |
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| N 02-04- | 12. | LAT: 36 ⁻ 21' LONG: 107 | '11" N. (| NAD 83) V. (NAD 83 | | | | | I hereby carti- was plotted fi me or under and correct to | by that the same property of the base of t | tex of action to be on the second the second the second the second the second the second text to the second | I surveys made but the same is tr |
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Huntington Energy, L.L.C.

6301 Waterford Blvd., Suite 400 Oklahoma City, OK 73118 (405) 840-9876 & Fax # (405) 840-2011

Canyon Largo Unit #457

1150' FSL & 1310' FWL Sec. 36-25N-7W Rio Arriba Co., New Mexico API #30-039-29282

Recompletion Procedure to Gallup:

Existing Dakota Perforations: 6596' – 6630', 6610' – 6614', 6618' – 6620', 6628' – 6634',

6691' - 6696', 6732' - 6740', 6756' - 6758', 6766' - 6775',

6780' - 6786'

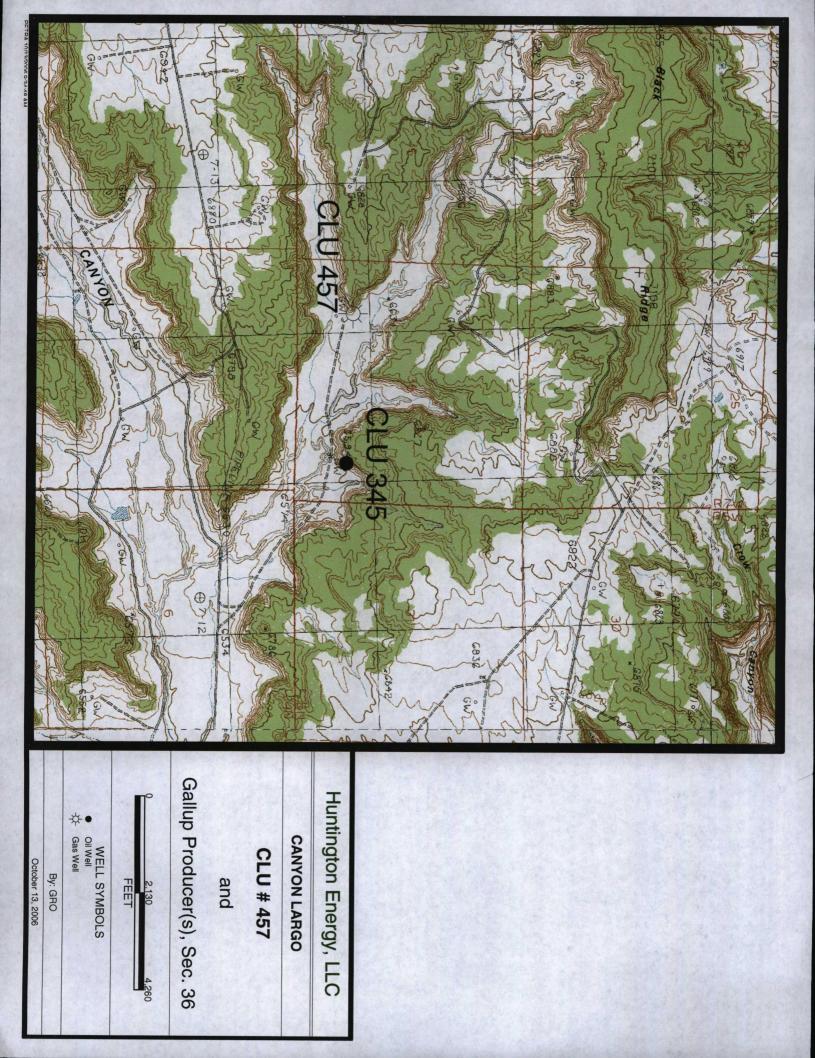
Casted off Dakota Perforations: 6820' - 6826', 6831' - 6846'

Proposed Gallup Perforations:

| seu Gallup Perioratioi | 15. | |
|------------------------|-----|-----------|
| • | Ft. | Holes |
| 5633' – 5635' | 2 | 4 |
| 5648' - 5650' | 2 | 4 |
| 5674' - 5680' | 6 | 12 |
| 5690' - 5700' | 10 | 20 |
| 5720' - 5730' | 10 | 20 |
| 5741' – 5743' | 2 | 4 |
| 5762' – 5764' | 2 | 4 |
| 5799' - 5802' | 3 | 6 |
| 5828' - 5832' | 4 | 8 |
| 5840' - 5849' | 9 | <u>18</u> |
| | 50 | 100 |

Procedure:

- 1. MIRU WOR. Kill well. ND Tree. NU BOPs.
- 2. TOOH w/2-3/8" 4.7 EUE 8rd tubing.
- 3. MIRU W/L truck. RIH and set composite plug at $\pm 6500'$. Install frac valve and pressure test plug and 4-1/2'' casing to 6000 psi.
- 4. Perforate Gallup per above using 3-1/8" HSC casing gun firing premium charges 2 spf. POOH. RD & rel W/L truck.
- 5. MIRU frac company. Fracture treat Gallup per supplied design. RD & Rel.
- 6. RU flowback equipment. Flow back Gallup and evaluate.
- 7. Kill well. TIH w/notched collar, SSN wash and clean out 4-1/2" casing. Drill out plug and clean out to below Dakota Perforation. Pull tubing to mid perfs. Hang off. ND BOP. NU tree.
- 8. Place well on line.



| October 13, 2006 | | | DETOX SOLODOS SOLLAND |
|---|----|---------------|-----------------------|
| CLU # 457 and Gallup Producer(s), Sec. 36 O 2.130 4.260 FEET WELL SYMBOLS Oil Well By: GRO | ರಾ | | N |
| Huntington Energy, LLC | 5 | 36 CLU 345 | 35 CLU 457 |
| | 30 | 25 | 26 |