| Form 3160-3 (September 2001) UNITED STATES | 3005 DEC 2 PM 2 00 | FORM APPROVED OMB No. 1004-0136 Expires January 31, 200 | 4 |
|--|---|---|--------------------|
| DEPARTMENT OF THE INT | TERIOR RECEIVED | 5. Lease Serial No. SF 079177 | |
| BUREAU OF LAND MANAGE | MENT 070 FARMINGTON NO | 1 | 1 |
| APPLICATION FOR PERMIT TO DRI | 1 | 6. If Indian, Allottee or Tribe h | vame |
| 1a. Type of Work: XX DRILL REENTER | | 7. If Unit or CA Agreement, Na | |
| | | Canyon Largo U | nit · |
| 1b. Type of Well: Oil Well Gas Well Other | Single Zone Multiple Zone | 8. Lease Name and Well No. Canyon Largo Un | 32660 nit 483 |
| 2. Name of Operator | Single Zone Ca Muniple Zone | 9. API Well No. | |
| Huntington Energy, L.L.C. 208700 | 6 | 30-039-297 | 113 |
| Da. Addres 6301 Waterford Blvd., Suite 400 | 3b. Phone No. (include area code) | 10. Field and Pool, or Explorator | |
| Oklahoma City, OK 73118 | (405) 840-9876 | Basin Dakota | 21599 |
| 4. Location of Well (Report location clearly and in accordance with a | | 11. Sec., T., R., M., or Blk. and | Survey or Area |
| Atsurface SESE Lot P. 820' FVIL & 920' FI | | Psec 9-T25N-R6W | |
| At proposed prod. zone | EL & Rate 3 | | |
| 14. Distance in miles and direction from nearest town or post office* | 7 × 000 | 12. County or Parish | 13. State |
| 35 miles SE from Blanco, NM | | Rio Arriba | NM |
| 15. Distance from proposed® | 16. No. of Acres in lease 17. Spacia | ng Unit dedicated to this well | |
| location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any) | 1922-40 | EZ | |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. | | /BIA Band No. on lile 3000076 | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6577 GL | 22. Approximate date work will start* | 23. Estimated duration | |
| | 24. Attachments | | |
| The following, completed in accordance with the requirements of Onsho | re Oil and Gas Order No.1, shall be attached to the | his form: | |
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operati | ions unless covered by an existing | bond on file (see |
| 2. A Drilling Plan. | Item 20 above). | | |
| 3. A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office). | 5. Operator certification. 6. Such other site specific in authorized officer. | nformation and/or plans as may b | be required by the |
| 25. Signature atherine Smith | Name (Printed/Typed) Catherine Smith | Date 11 | /30/05 |
| Tide Land Associate | | | <i>j</i> / |
| Approved by Signatures Mankes Cor | Name (Printed/Typed) | Date | 15/06 |
| Title AFM | Office FFO | | |
| Application approval does not warrant or certify the the applicant holds operations thereon. | legal or equitable title to those rights in the subje | ect lease which would entitle the ap | plicant to conduct |

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, fictinous or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

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

NMOCD R DISTRICT I P.O. Box 1960, Hobbs, N.M. 88241-1980

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State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised June 10, 2003 Instructions on back

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

1955

2616.9' (M)

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

1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. []
Santa Fe, NM 87504 2088

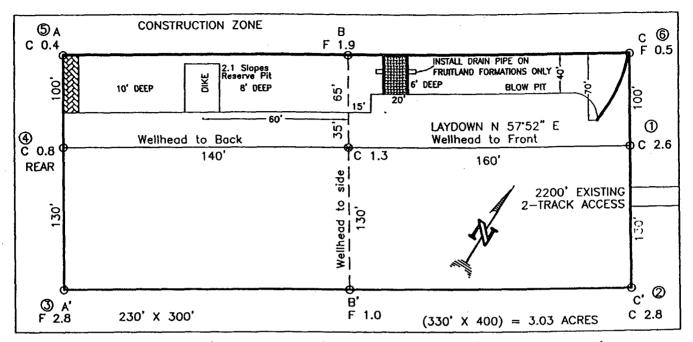
PM 2 08

1955

C AMENDED DEDODE

| IRICT IV 0 South St. Fran | ncis Dr., Sa | nta Fe, NM (| 37505 | San | ta re, NM O/: | JU4 <u>÷</u> ,&U | | CEIV | ED | | AMEND | ED REPOR | |
|------------------------------|---|--------------|---------------------|------------------------|-------------------------------|------------------|--|-------------|---|--|--|------------|--|
| | | Ψ | VELL I | | N AND AC | REAG | e dedî | CATI | ON PL | ÅT | | | |
| | Number | ~. ~ | | Pool Code | | | | | Pool Name | | | | |
| 30-039 Property Co | | 7/2 | | 71599 | *Property | Ma ` | | | Basin | Dakota | | li Number | |
| = : | | <i>^</i> | | C | ANYON LARGO | | | | | | | 483 | |
| -6886 c | | <u></u> | | | *Operator | | | | | | | Elevation | |
| 20870 | ì | <i>_</i> | | ни | INTINGTON EN | | LLC | | | | 6 | 6577' | |
| | <u> </u> | | | | 10 Surface | Locat | ion | | | | ., | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | | South line | Feet | from the | East/Wes | st line | County | |
| · Р | 9 | 25-N | 6-W | | 820' | S | OUTH | 9 | 20' | EAS | ST | RIO ARRIB | |
| • | | | 11 Bott | om Hole | Location I | f Diffe | erent Fro | om S | urface | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North | /South line | Feet | from the | East/We | st line | County | |
| Dedicated Acre | 18 | | soint or | Infill . | ¹⁴ Consolidation | Code | <u> – </u> | to Orde | r No. | <u> </u> | | . | |
| | | | | | | | | | | | | | |
| DK-E/ | | TIT DE A | SGIC.NE. | ת דר דעו | S COMPLETION | OM IIA | TOTT ATT | INTE | DECTO L | JAVE B | EEN C | SOLIDATI | |
| NO ALLOW | ADLE W | | | | UNIT HAS BE | | | | | | DD). | | |
| | S CO STORY OF THE | S. V. E. V. | | 9 | | | FD 3 1, B.L.M. 19 | | Signatu Catl Printed Lane Octo | nerine Name d Asso ober 1 | Smith | RTIFICATI | |
| | | | LAT: 3 LONG: | 36°24.5499 107°27.9 | 9' N. (NAD 27 667' W. (NAD |) 27) (| 920' | 2600.8' (M) | I hereby or was plotted me or und and correct Al Date St. Signatur | ertify that is a from field or my super is to the best is the best | notes of act vision, and of my bells | di same is | |
| <i>:.</i> | | • F | D 3 1/4 B.L.M. E | | 88-11-59 W | 820, | FD 3 1 B.L.M. | | Certifical | PAROFE Number | 6819 WAL | §/ | |

BURLINGTON RESOURCES OIL AND GAS COMPANY LP/HUNTINGTON ENERGY, LLC CANYON LARGO UNIT No. 483, 820 FSL 920 FEL SECTION 9, T-25-N, R-6-W, N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO **GROUND ELEVATION: 6577,** DATE: AUGUST 1, 2005



RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW — 3' WIDE AND 1' ABOVE SHALLOW SIDE). BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

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. ELEV. A-A' 6590 6580 6570 6560 C/L ELEV. B-B' 6590 6580 6570 6560 C/L ELEV. C-C 6590 6580 6570 6560

Surveying of P. O. Box 150 Phone (505) 32

Box 1 (505)

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.

OPERATIONS PLAN

Well Name:

Canyon Largo Unit #483

Location:

820' FSL, 920' FEL, SE/4 Sec 9, T-25-N, R-6-W NMPM

Rio Arriba County, NM

Formation:

Basin Dakota

Elevation:

6577' GL

| Formation Tops: | <u>Top</u> | Bottom | RMSL |
|-------------------|------------|--------|------|
| Ojo Alamo | 1978' | 2178' | 4615 |
| Kirkland | 2178' | 2378' | 4415 |
| Fruitland | 2378' | 2631' | 4215 |
| Pictured Cliffs | 2631' | 2683' | 3962 |
| Lewis Shale | 2683' | 3013' | 3910 |
| Huerfanito | 3013' | 4208' | 3580 |
| Cliff House | 4208' | 4268' | 2385 |
| Menefee | 4268' | 4828' | 2325 |
| Point Lookout | 4828' | 5093' | 1765 |
| Mancos | 5093' | 5998' | 1500 |
| Gallup (Niobrara) | 5998' | 6763' | 595 |
| Greenhorn | 6763' | 6823' | -170 |
| Graneros | 6823' | 6876' | -230 |
| Dakota | 6876' | 7253' | -283 |
| Morrison | 7253' | 7400' | -660 |
| TD | 7400' | | |

Logging Program:

Open hole logs - Platform Express

Cased hole logs - RST - TD to 5900'; CBL/GR - TD to 5800'

Cores & DST's - none

Mud $\log - 4000$ ' to TD

Mud Program:

| Interval | <u>Type</u> | <u>Weight</u> | <u>Vis.</u> | Fluid Loss |
|-------------|-------------|---------------|-------------|------------|
| 0 – 320' | Spud | 8.4-8.9 | 40-50 | no control |
| 320 – 7400' | 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:

| | Hole Size 12 ¼" 7 7/8" | Depth Interval 0' - 320' 0' - 7400' | <u>Csg. Size</u> 8 5/8" 4 ½"" | <u>Wt.</u> 24.0# 11.6# | <u>Grade</u> WC-50 N-80 |
|--------|------------------------|---|-------------------------------------|------------------------------|-------------------------------|
| Tubing | Program: | 0' – 7400' | 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 ½" x 1 ½" x 1 ½" 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/265 sx Class "B" cement w/3% calcium chloride and ¼#/sx cellophane flakes (312 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 ½"

Lead with 700 sx 65/35 Standard Poz w/6% gel, ¼# Flocele, 10# Gilsonite, 3/10% Halad 9, 1/10% HR5 (1.96 yld). Tail w/900 sx 50/50 Standard Poz w/35 Gel, 9/10% Halad9, 2/10% CFR 3, 5# Gilsonite, ¼# Flocele (1.47 yld).

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 700 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#, 1.18 yd). (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.

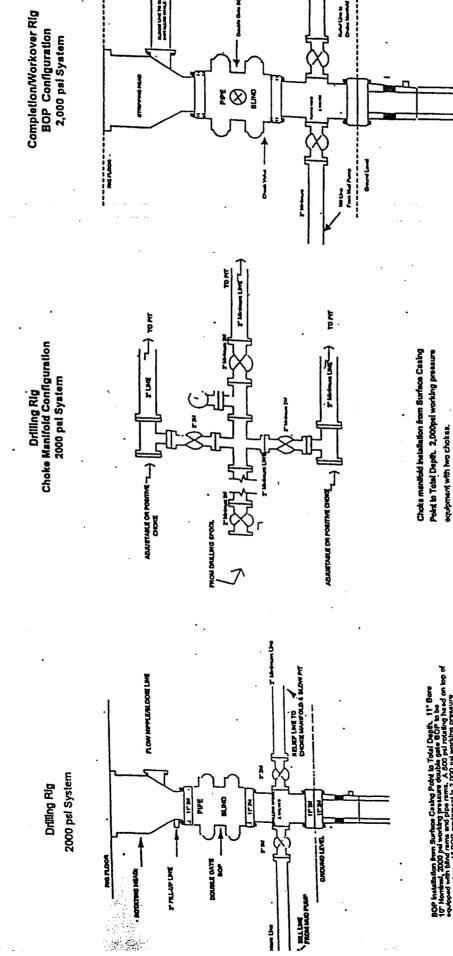
Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

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 9 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 |



pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of Minimum 80P Installation for all Compilation/Workover Operations, 7-1/16" bore, 2000 pal minimum working pressure or greater excluding 500 pal stripping head. the BOP. All BOP equipment is 2000 psi worlding Figure #2

Figure #3

Figure #1