

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

2005 AUG 10 AM 11 36

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

5. Lease Serial No.
SF-078886
6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator

Huntington Energy, L.L.C.

3a. Address 6301 Waterford Blvd., Suite 400
Oklahoma City, OK 73118

3b. Phone No. (include area code)
(405) 840-9876

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface SENW, 1560' FNL & 1800' FWL
At proposed prod. zone

7. If Unit or CA Agreement, Name and No.
Canyon Largo Unit

8. Lease Name and Well No.
Canyon Largo Unit 478

9. API Well No.
30-039-29620

10. Field and Pool, or Exploratory
Basin Dakota

11. Sec., T., R., M., or Blk. and Survey or Area
Lot F, Sec 28, T24N-R6W

14. Distance in miles and direction from nearest town or post office*
35 miles SE from Blanco, NM

12. County or Parish
Rio Arriba

13. State
NM

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
2600

17. Spacing Unit dedicated to this well
320 W/2

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

19. Proposed Depth
7100'

20. BLM/BIA Bond No. on file
NMB000076

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6907' GL

22. Approximate date work will start*

23. Estimated duration

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 Catherine Smith

Name (Printed/Typed)
Catherine Smith

Date
8/4/05

Title
Land Associate

Approved by (Signature) [Signature]
Title AFM

Name (Printed/Typed)
Office FFO

Date
4/28/06

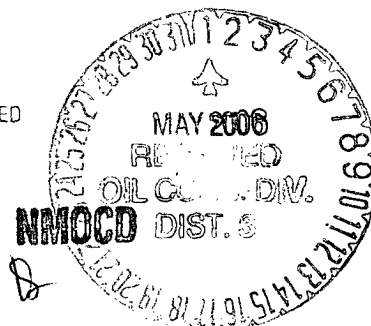
Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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.

*(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

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



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

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

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

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87504-2088

Form C-102
Revised June 10, 2003
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-29620		*Pool Code 71599	*Pool Name Basin Dakota
*Property Code 6886 32660	*Property Name CANYON LARGO UNIT		*Well Number 478
*OGRD No. 208706	*Operator Name HUNTINGTON ENERGY, LLC		*Elevation 6907'

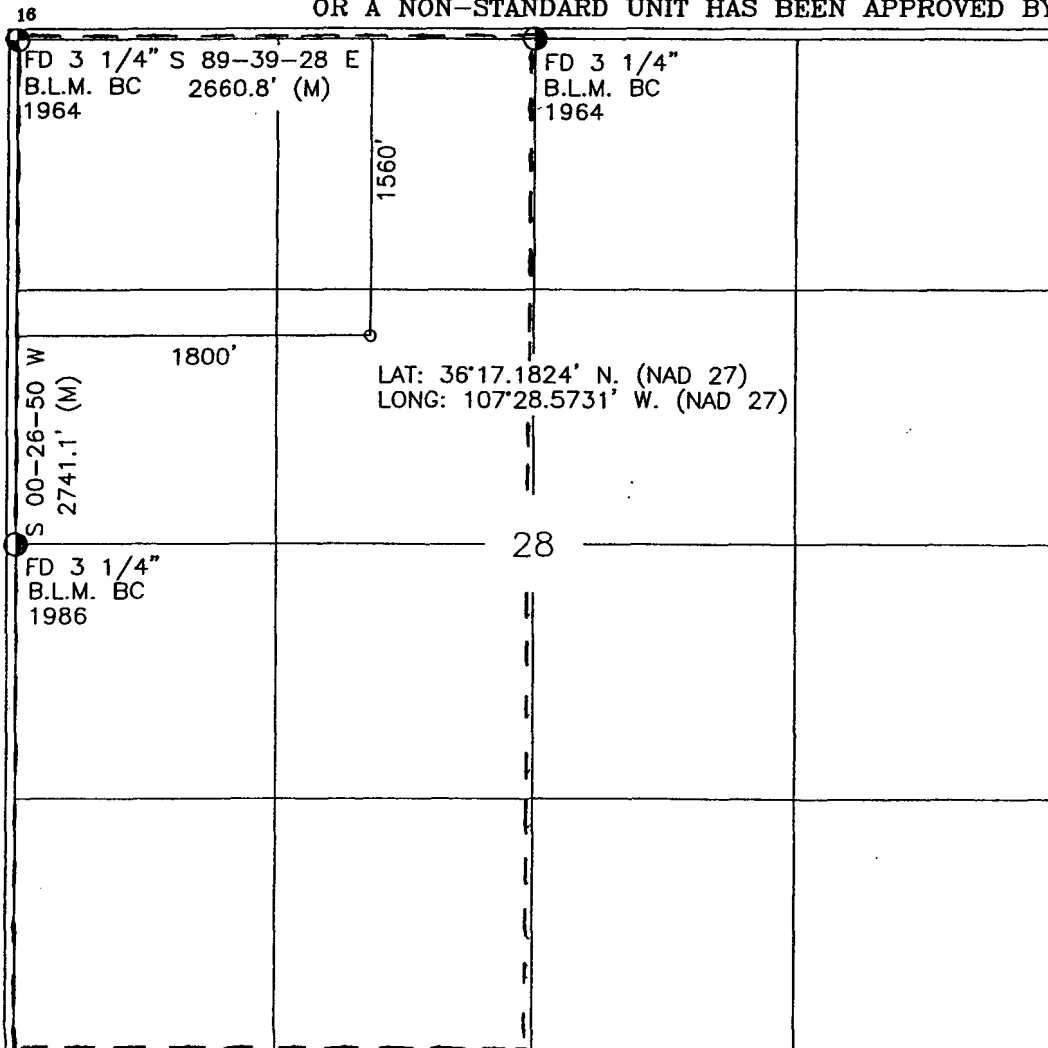
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	28	24-N	6-W		1560'	NORTH	1800'	WEST	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
*Dedicated Acres DK-W/320			*Joint or Infill		*Consolidation Code		*Order No.		

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 Associate

Title

July 19, 2005

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.

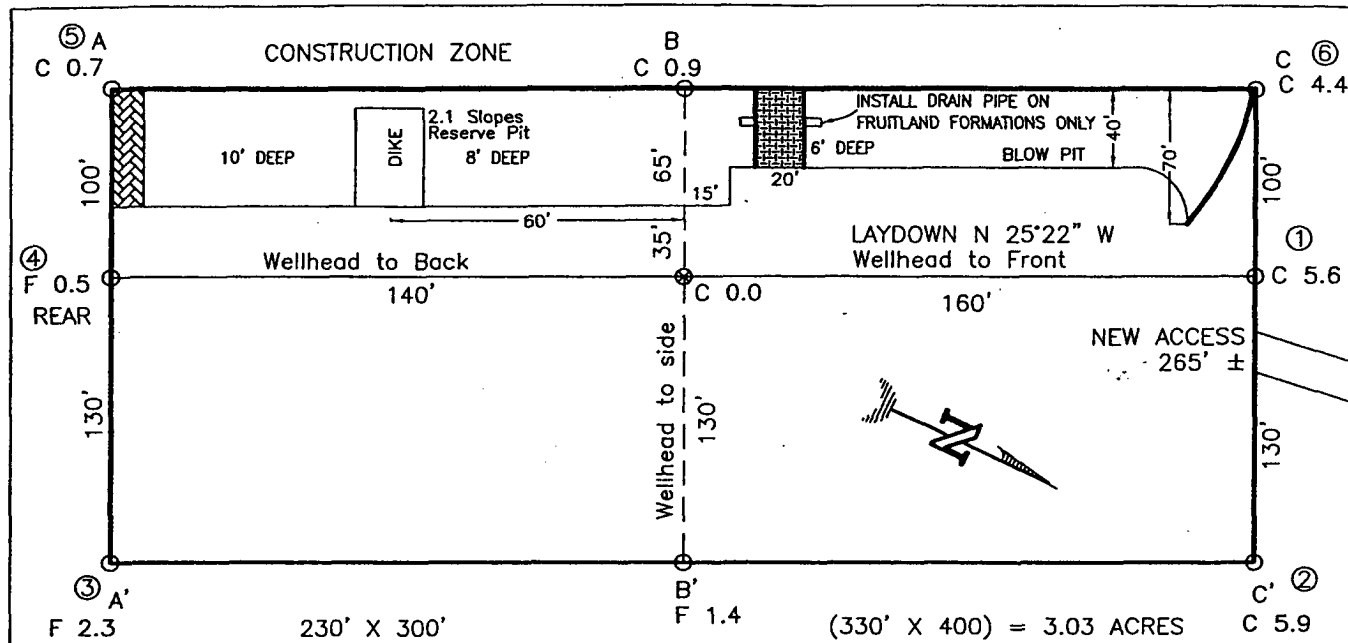
Date of Survey

Signature and Seal of Professional Surveyor:



Certificate Number

HUNTINGTON ENERGY, LLC
 CANYON LARGO UNIT No. 478, 1560 FNL 1800 FWL
 SECTION 28, T-24-N, R-6-W, N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO
 GROUND ELEVATION: 6907, DATE: MAY 24, 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'	C/L				
6920					
6910					
6900					
6890					

ELEV. B-B'	C/L				
6920					
6910					
6900					
6890					

ELEV. C-C'	C/L				
6920					
6910					
6900					
6890					

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.

REVISION:	DATE:	REVISED BY:
<p>Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO P.L.S. No. 14831 DRAWN BY: A.G. CADFILE: HTG036C78 DATE: 7/07/05 ROW#: HTG036</p>		

OPERATIONS PLAN

Well Name: Canyon Largo Unit #478
Location: 1560' FNL, 1800' FWL, SENW Sec 28, T-24-N, R-6-W NMPM
Rio Arriba County, NM
Formation: Basin Dakota
Elevation: 6907' GL

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>
Ojo Alamo	1726'	1925'
Kirkland	1925'	2026'
Fruitland	2026'	2284'
Pictured Cliffs	2284'	2410'
Lewis Shale	2410'	2655'
Huerfano	2655'	3858'
Cliff House	3858'	3882'
Menefee	3882'	4556'
Point Lookout	4556'	4755'
Mancos	4755'	5579'
Gallup (Niobrara)	5579'	6499'
Greenhorn	6499'	6558'
Graneros	6558'	6597'
Dakota	6597'	6954'
Morrison	6954'	
TD	7100'	

Logging Program:

Mud log – 1800' to TD
Open hole logs– Platform Express
Cased hole logs – CBL/GR – TD to 5300'
Cores & DST's – none

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 – 7100'	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' – 7100'	4 1/2"	11.6#	N-80

Tubing Program:

0' – 7100'	2 3/8"	4.7#	J-55
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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/265 sx Class "B" cement w/3% calcium chloride and 1/4#/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 1/2"

Lead with 700 sx 65/35 Standard Poz w/6% gel, 1/4# 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, 1/4# Flocele (1.47 yld).

Alternate Two-stage cement job as follows:

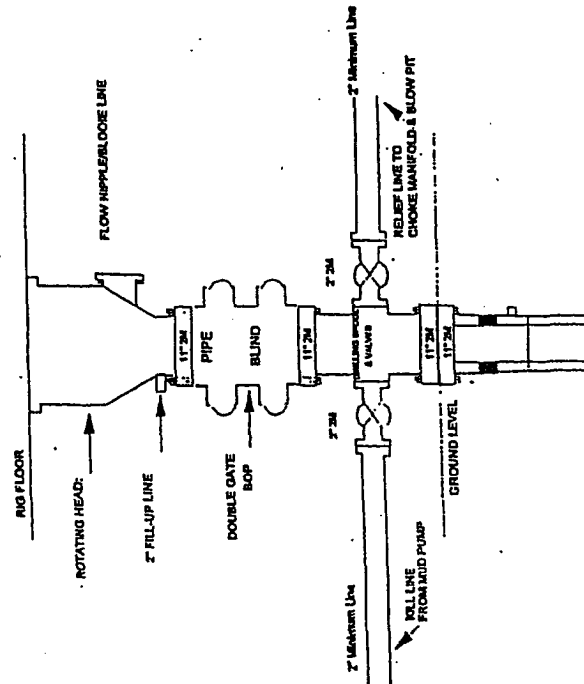
First Stage: Cement to circulate to stage tool @ 5066'. Lead with 700 sx Class "G" 50/50 poz (13#, 1.47 yd) w/3% gel, 0.25 pps Celloflake, 5 pps Gilsonite, 0.25 pps Fluid loss, 0.15% dispersant, 0.1% retarder. WOC 4 hours prior to pumping second stage. (Slurry volume: 1029 cu. ft. Excess slurry: 50%).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

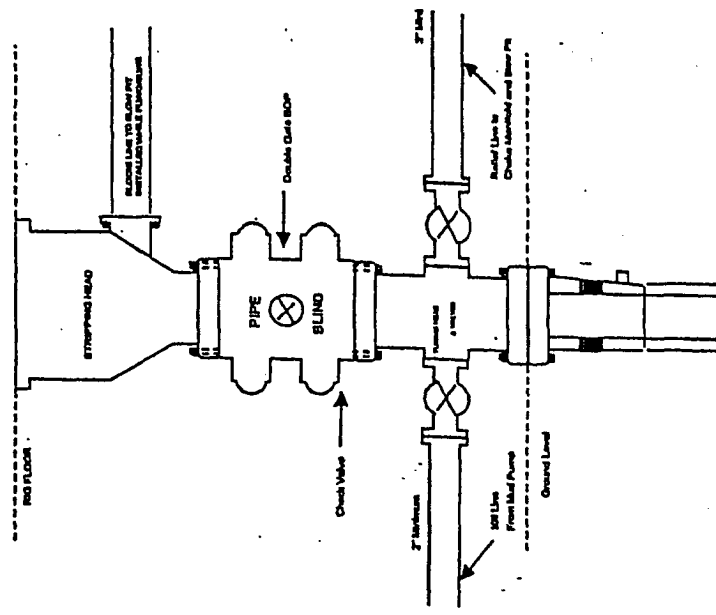
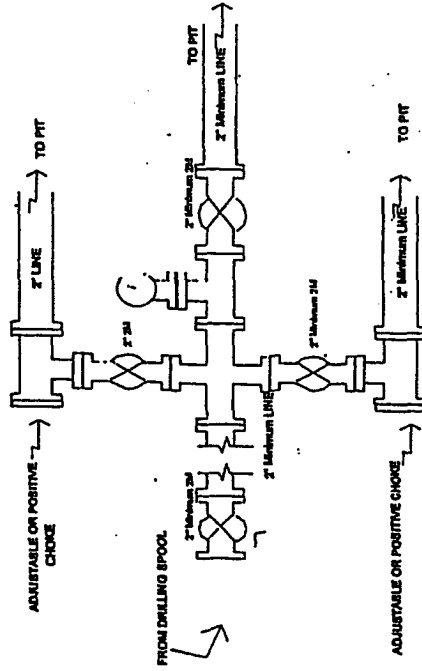
Float shoe on bottom. Three centralizers run every other joint above shoe. Thirty-five centralizers - one every 4th joint to the base of the Ojo Alamo @ 2448'. Two turbolizing type centralizers – one below and one into the base of the Ojo Alamo @ 2448'. Standard centralizers thereafter every fourth joint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

Completion/Workover Rig BOP Configuration 2,000 psi System



Drilling Rig Choke Manifold Configuration 2000 psi System



Choke manifold Installation from Surface Casing
Point to Total Depth. 2,000psi working pressure
equipment with two chokes.

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

Figure #2

Figure #3

BOP Installation from Surface Casing Point to Total Depth. 11" Bore
or 11" Bore. 2000 psi working pressure double gate BOP to be
equipped with blind rams and pipe rams. A 500 psi stripping head on top of
ram preventers. All BOP equipment is 2,000 psi working pressure

Figure #1