

Bill Richardson Governor

Joanna Prukop Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



November 17, 2009

Huntington Energy, L.L.C. Attn: Ms. Catherine Smith 908 N.W. 71st Street Oklahoma City, OK 73116

Administrative Order NSL-6115

Re: Ute Mountain Ute Well No. 105 API No. 30-045-35020 1635 feet FSL and 2230 feet FEL Unit J, Section 22-32N-14W San Juan County, New Mexico

Dear Ms. Smith:

Reference is made to the following:

(a) your application (administrative application reference No. pTGW09-31427704) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on November 10, 2009, and

(b) the Division's records pertinent to this request.

Huntington Energy, L.L.C. [OGRID 14538] (Huntington) has requested to drill the above-referenced well at an unorthodox gas well location, as described above in the caption of this letter. The SE/4 of Section 22 will be dedicated to this well in order to form a standard 160-acre spacing unit in the Barker Creek-Dakota Gas Pool (75120). This pool is governed by statewide Rule 15.10.C, 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 the western unit boundary.

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

It is our understanding that you are seeking this location for topographic reasons.

It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

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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.

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

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Sincerely,

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Mark E. Fesmire, P.E. Director

MEF/db

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