Form 3160-3 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0136 Expires November 30, 2000

BUREAU OF LAND	MANAGEMENT		5. Lease Serial No. NMSF 078881	
APPLICATION FOR PERMIT	TO DRILL OR RE	ENTER	6. If Indian, Allottee or Tr	ibe Name
1a. Type of Work: DRILL REENTER			7. If Unit or CA Agreemer CANYON LARGO	
1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Oth	ner 🗖 Sing	gle Zone Multiple Zone	8. Lease Name and Well N CANYON LARGO UN	
	CATHY SMITH E-Mail: csmith@huntingto	onenergy.com	9. API Well No.	-27749
3a. Address 6301 WATERFORD BLVD., SUITE 400 OKLAHOMA CITY, OK 73118	3b. Phone No. (included Ph: 405.840.987) Fx: 405.840.2011	6 Ext: 0	10. Field and Pool, or Exp BASIN DAKOTA	
4. Location of Well (Report location clearly and in accorded	l ance with any State requ	uirements.*)	11. Sec., T., R., M., or Bil	c. and Survey or Area
At surface SESE Lot P Tract 23 1285	FSL 1300FEL		Sec 1 T25N R7W N	vler NMP
At proposed prod. zone SESE Lot P Tract 23 1285	FSL 1300FEL	6780	ρ	
14. Distance in miles and direction from nearest town or post 34 MILES SE OF BLANCO, NM	office*		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 C	case 200 ₄ 3	17. Spacing Unit dedicate	d to this well
 Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 	19. Proposed Depth		720. BLM/BIA Bond No. o NMB000076	n file
21. Elevations (Show whether DF, KB, RT, GL, etc. 6881 GL	22. Approximate date 09/01/2004	work will start	23. Estimated duration	
	24. Atta	achments		
The following, completed in accordance with the requirements of	f Onshore Oil and Gas (Order No. 1, shall be attached to	this form:	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syst SUPO shall be filed with the appropriate Forest Service Off 		 4. Bond to cover the operation Item 20 above). 5. Operator certification 6. Such other site specific infauthorized officer. 	•	
25. Signature (Electronic Submission)	Name (Printed/Typed) CATHY SMITH			Date 05/17/2004
Title GENERAL CONTACT				
Approved by (Signification)	Name (Printed/Typed))	· · · · · · · · · · · · · · · · · · ·	Date 8-9-84
1 FA	Office FFA			
Application approval does not warrant of certify the applicant hoperations thereon. Conditions of approval, if any, are attached.	lds legal or equitable tit	le to those rights in the subject le	ease which would entitle the a	pplicant to conduct
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, States any false, fictitious or fraudulent statements or representat			o make to any department or	agency of the United

Additional Operator Remarks (see next page)

Electronic Submission #30735 verified by the BLM Well Information System For HUNTINGTON ENERGY, L.L.C., sent to the Farmington

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 PEQUIREMENTS".

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

DESTRICT I 1825 H. French Dr., Hobbs, H.M. 88240

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

DISTRICT III 1000 Elo Brazos Ed., Artec, N.M. 87410

State of New Mexico

Energy, Minerals & Natural Resources Department

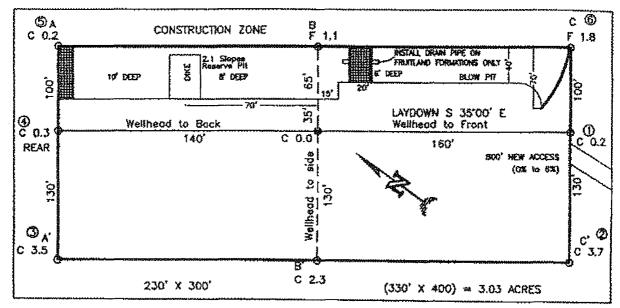
OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-1 Revised June 10, 20 Submit to Appropriate District Offi

State Lease - 4 Copi Fee Lease - 3 Copi

DISTRICT IV 1220 South St. 7	Trancis Dr.	, Santa Pe, Ni	M 87505						□ A)	MENDED REPO
		Y	VELL L	OCATIO	N AND AC	REAGE DED	ICATI	ON PI	AT	
70.07	Number	1260		Pool Code		<i>R</i> =	. ,	Pool Nam	• /	
20-05	7-61	77/		1590	Property	Bas	111 1	aka	179	• Veil Number
6881	.00a (CANYON LARG		•		İ	
OCERTO N	<u> </u>		 .		Operator					455 * Elevation
1453		į	BURLI	NGTON RE	•	AND GAS COMP	ANY IP			6881'
1100		L			10 Surface					0001
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Foot fr	om the	East/Vest Mo	County
Р	1	25-N	7-W		1285	SOUTH '	13	00	EAST	RIO ARRIBA
			11 Botte	om Hole	Location	If Different Fr	om Su	rface		
UL or lot no.	Section	Township	Range	Lot idn	Feet from the	North/South line		rom the	East/Vest in	6 County
Dedicated Acre	<u> </u>		" Joint or	hafill	14 Consolidation	Code	10 Order	No.	<u> </u>	
312	7-1									
بطلا	10 E	/					<u> </u>			
NO ALLOW	ABLE 'I	OR A N	SSIGNEI ION—STA) TO THI INDARD I	IS COMPLETI UNIT HAS B	ON UNTIL ALL EEN APPROVED	INTER BY T	ests i He div	iave been Tision	CONSOLIDATE
16										·································
								17 (I koreke		CERTIFICATIO
	1		•				H	to tree a	nd complete to the	part of and promposite as
LOT 8	}	FO.	Γ7		LOT 6	LOT 5				
		-V-V								
	159	;789m					li			
	1/2	Alla	(2)	1						
ļ.	$^{\circ}$	AUG 2004					- '	M	. au 00	Tmanus
LOT 9		- To	T 10		LOT 11	LOT 12	- 11	Signatur	- 11	
Į. į								Printed		TMANUS
`	Ves,	Ç.V	58 7					Sin	in Staff	Specialist
	* C. 22	ENER WE				FD 2 1/2* U.S.G.L.O. 19	BC.	Title	100	
 		Call Late Contract		1 —				Date	7-04	
				•		3				CERTIFICATION
		1 Δ'	T+ 36"25"	1 28° N (N	(ER GAL	5	2 €		tify that the well	
		ro S	NG: 107	31'19" W.	IAD 83) . (NAD 83)	, ,			from fleid notes of 1 mg supervision, o	
				1		ا ح	97.	and correct	to the best of my	ballef.
	1			1		2	2597.8' (M)	/3	5 - 12 A	04
				 		1300'		70	EWIEX, CO.	
; \$	l			1				20	<i>I</i>	painted Surveyor
	ł							THE REAL PROPERTY.	(14827)	MILTYON
	}			1		1285		TEN.	W/K	\$/
		_	/.=	. [1		10	ROFESSION	₹
	l	FD 5	3 1/4	. א א	8-00-26 W	FD 3 1	4		14827	

HUNTINGTON ENERGY, LLC / BURLINGTON RESOURCES OIL & GAS CO LP CANYON LARGO UNIT 455, 1285 FSL 1300 FEL SECTION 1, T-25-N, R-7-W, N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO GROUND ELEVATION: 6881, DATE: MARCH 23, 2004



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

NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIBELE FOR UNDERGROUND UTILITIES OR PIPTURES. REW MEDICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION. ELEV. A-A CA 6900 6890 6880 6870 C/L £LEV. B-B' 6900 6890 6880 Enterprises, 6870 turwylng and Dil Fleid ELEV. C-C' CA 6900 Daggett (Sec.) 6890 다 충 6880 6870 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.

OPERATIONS PLAN

Well Name:

Canyon Largo Unit #455

Location:

1285' FSL, 1300' FEL, SE/4 Sec 1, T-25-N, R-7-W NMPM

Rio Arriba County, NM

Formation:

Basin Dakota

Elevation:

6881' GL

Formation Tops:	<u>Top</u>	Bottom	Contents
Surface	San Jose	2188'	
Ojo Alamo	2188'	2369'	aquifer
Kirkland	2369'	2584'	gas
Fruitland	2584'	2869'	gas
Pictured Cliffs	2869'	2943'	gas
Lewis	2943'	3260'	gas
Huerfanito Bentonite	3260'	3722'	gas
Chacra	3722'	4454'	gas
Massive Cliff House	4454'	4514'	gas
Menefee	4514'	5136'	gas
Menefee Point Lookout	5136'	5377'	gas
Mancos	5377'	6290'	gas
Gallup	6290'	7068'	gas
Greenhorn	7068'	7131'	gas
Graneros	7131'	7175'	gas
Dakota	7175'	7484'	gas
Morrison	7484'		gas
TD	8200'		

Logging Program:

Open hole - Neutron-Density, Microlog - TD to minimum operations depth, DIL-GR -TD to surface

Cased hole - CBL-CCL-GR - TD to surface

Cores - none

Mud log - TD to 6000'

Mud Program:

<u>Interval</u>	<u>Type</u>	Weight	<u>Vis.</u>	Fluid Loss
0 – 320'	Spud	8.4-8.9	40-50	no control
320 - 8200'	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:

	ole Size	Depth Interval 0' - 320'	Csg. Size 8 5/8"	<u>Wt.</u> 24.0#	Grade WC-50
7	7/8"	0' - 8200'	4 1/2"	11.6#	N-80
Tubing Pro	gram:				
		0' – 8200'	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&}quot; 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/336 sx Class "B" cement w/3% calcium chloride and ½#/sx cellophane flakes (396 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 800 sx 9.5 ppg Litecrete Blend w/0.11% dispersant, 0.5% fluid loss. Tail w/407 sx Class "G" cement w/3% gel, 0.25 pps Celloflake, 5 pps Gilsonite, 0.25 pps fluid loss, 0.15% dispersant, 0.1% retardant, 0.1% antifoam (Slurry volume: 2603 cu. ft. Excess slurry 50%).

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 670 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#, 1.18yd), (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.

Operations Plan – Canyon Largo Unit #455

Page Three

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 13 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

