

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Huntington Energy, L.L.C. 6301 Waterford Blvd., Suite 400 Oklahoma City, OK 73118		² OGRID Number 208706
³ Property Code 6886 32660		⁴ API Number 30 - 039-29282
⁵ Property Name Canyon Largo Unit		⁶ Well No. 457
⁷ Proposed Pool 1 Basin Dakota		⁸ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	25N	7W		1150	South	1310	West	Rio Arriba

⁸ Proposed 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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 6628'
¹⁶ Multiple	¹⁷ Proposed Depth 7100'	¹⁸ Formation Dakota	¹⁹ Contractor N/A	²⁰ Spud Date 12/1/2004
Depth to Groundwater > 200'		Distance from nearest fresh water well > 1000'		Distance from nearest surface water > 300'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: 1500_bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24.0#	0-320'	360	Surface
7 7/8"	4 1/2"	11.6#	0-7100'	1400	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Proposed Program Attached.

****Per Daggett: Well location is 12' from quarter-quarter section.



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Cathy Smith

Title: Land Associate

E-mail Address: csmith@huntingtonenergy.com

Date: 10/22/2004

Phone: (405) 840-9876

OIL CONSERVATION DIVISION

Approved by:

Title: *[Signature]*

Approval Date: OCT 25 2004

Expiration Date: OCT 25 2005

Conditions of Approval Attached ☐

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
611 South First, Artesia, N.M. 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-29282		*Pool Code 71599	*Pool Name Basin Dakota
*Property Code 6886	*Property Name CANYON LARGO UNIT		*Well Number 457
*OGRID No. 208706	*Operator Name HUNTINGTON ENERGY, L.L.C.		*Elevation 6628'

¹⁰ Surface Location

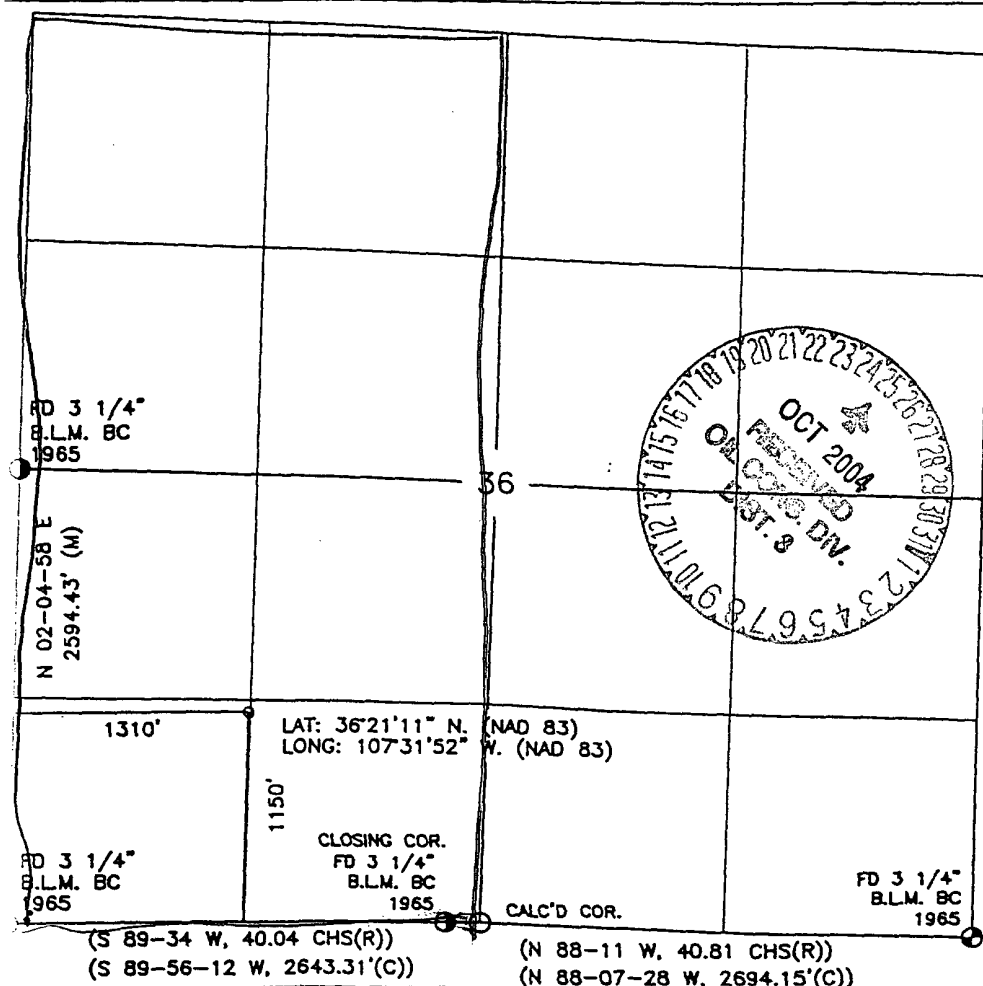
UL or lot no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
M	36	25-N	7-W		1150'	SOUTH	1310	WEST	RIO ARRIBA

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

¹² Dedicated Acres DK-W/320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

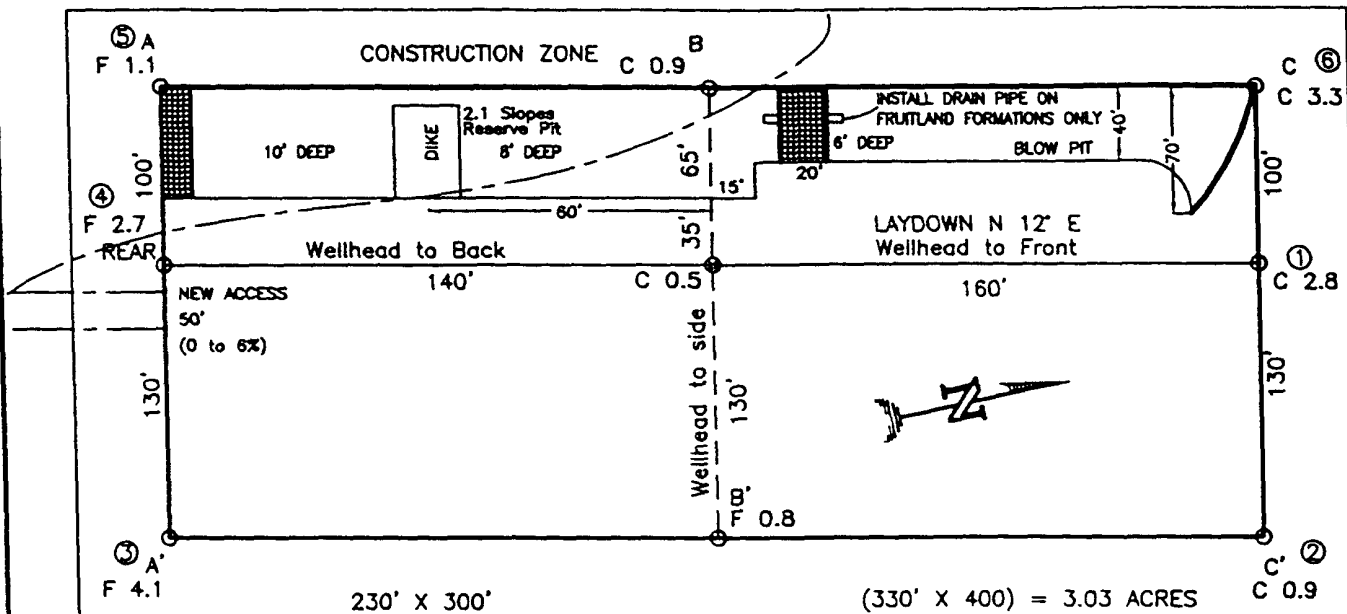
Catherine Smith
Signature
Catherine Smith
Printed Name
Land Associate
Title
4/6/04
Date

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.

DAVID A. JOHNSON
Date of Survey
Signature and Seal of Professional Surveyor
14827
14827
Certificate Number

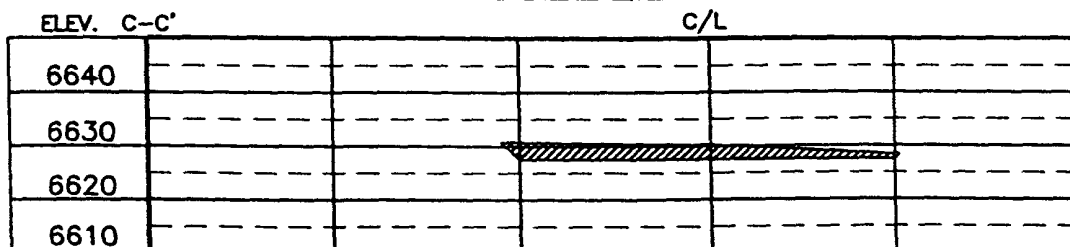
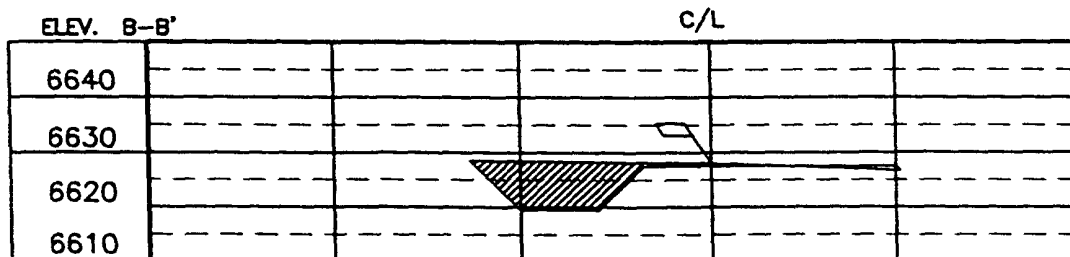
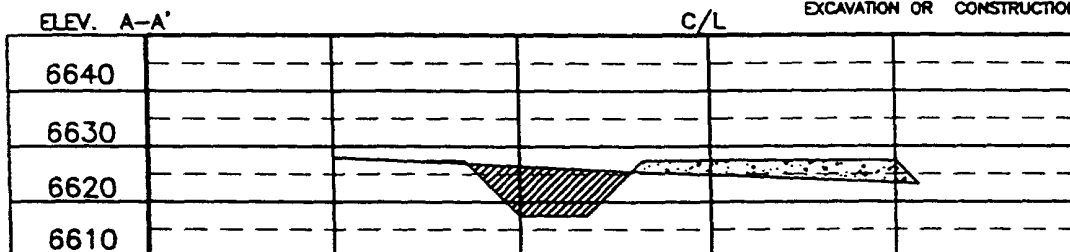
HUNTINGTON ENERGY, LLC / BURLINGTON RESOURCES OIL & GAS CO. LP
 CANYON LARGO UNIT 457, 1150 FSL 1310 FWL
 SECTION 36, T-25-N, R-7-W, N.M.P.M., RIO ARriba COUNTY, NEW MEXICO
 GROUND ELEVATION: 6628, DATE: FEBRUARY 26, 2004




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.



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.

	Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6018 NEW MEXICO L.S. No. 14927		DATE: 03/18/04 DRAWN BY: A.G. NORTH: HGT010
	REVISION:		DATE: 03/18/04 DRAWN BY: A.G. NORTH: HGT010

OPERATIONS PLAN

Well Name: Canyon Largo Unit #457
Location: 1150' FSL, 1310' FWL, SW/4 Sec 36, T-25-N, R-7-W NMPM
Rio Arriba County, NM
Formation: Basin Dakota
Elevation: 6628' GL

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>	<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 ¼"	0' – 320'	8 5/8"	24.0#	WC-50
7 7/8"	0' – 7100'	4 ½"	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 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 1/4#/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.

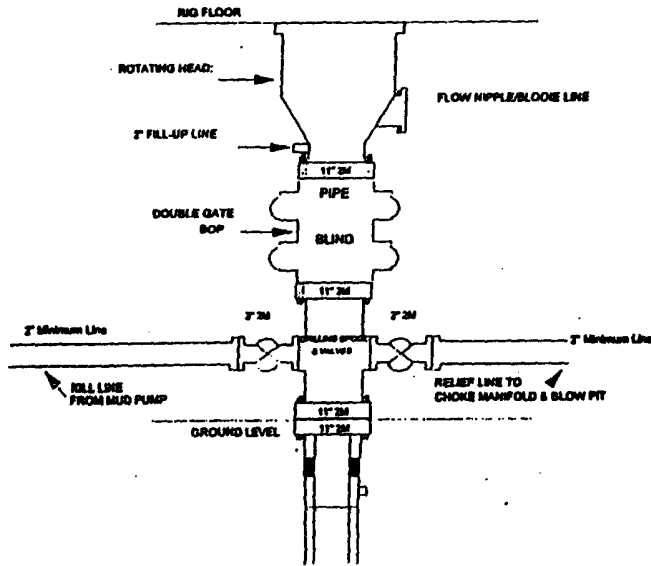
Additional Information:

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

Drilling Rig
2000 psi System

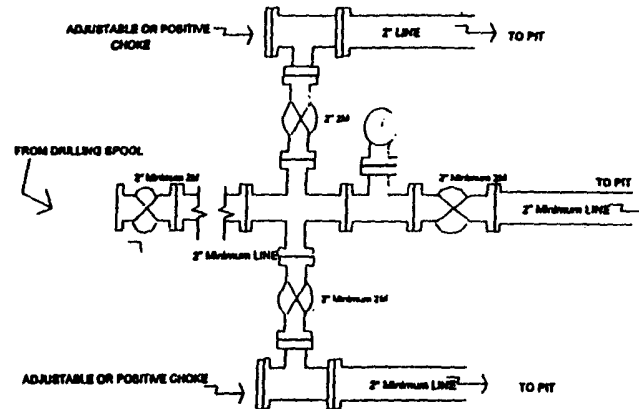


BOP Installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal, 2000 psi working pressure double gate BOP to be equipped with blind rams and pipe rams. A 500 psi rotating head on top of ram preventers. All BOP equipment is 2,000 psi working pressure

Figure #1

4-20-01

Drilling Rig
Choke Manifold Configuration
2000 psi System

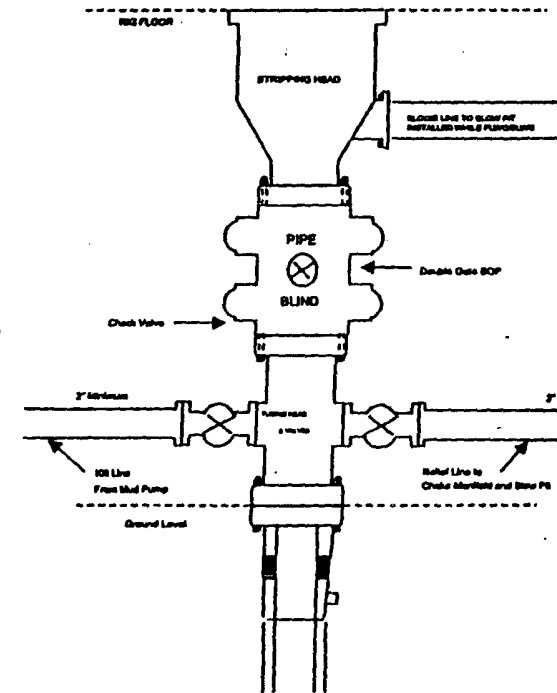


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Completion/Workover Rig
BOP Configuration
2,000 psi System



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