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

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

Form C-101
May 27, 2004

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	[2] OGRID Number
Huntington Energy, L.L.C. 6301 Waterford Blvd., Suite 400 Oklahoma City, OK 73118	208706
	[3] API Number 30 - 039-29283

[5] Property Code	[6] Property Name	[7] Well No.
~~6886~~ 32660	Canyon Largo Unit	458

[9] Proposed Pool 1	[10] Proposed Pool 2
Basin Dakota	

[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
H	2	25N	7W		2338	North	1282	East	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	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
NW	G		S	~~6335~~ 6329
[16] Multiple	**[17] Proposed Depth**	**[18] Formation**	**[19] Contractor**	**[20] Spud Date**
	7100'	Basin Dakota	N/A	N/A

Depth to Groundwater > 100' | Distance from nearest fresh water well > 1000' | Distance from nearest surface water > 300'

Pit: Liner: Synthetic ☒ 12 mils thick Clay ☐ Pit Volume: 1500 bbls

Drilling Method:

Closed-Loop System ☐

Fresh Water ☒ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐

[21] Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 ¼"	8 5/8"	24.0#	0-320'	360	Surf
7 7/8"	4 ½"	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.

OCT 2004
RECEIVED
OIL CONS. DIV.
DIST. 3

[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: Catherine Smith

Title: Land Associate

E-mail Address: csmith@huntingtonenergy.com

Date: 10/21/2004 Phone: (405) 840-9876

OIL CONSERVATION DIVISION

Approved by:

Title: DEPUTY OIL & GAS INSPECTOR, DIST. #3

Approval Date: OCT 25 2004 Expiration Date: OCT 25 2005

Conditions of Approval Attached ☐

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

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

DISTRICT IV
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-039-29283	71599	Basin Dakota

[4] Property Code	[5] Property Name	[6] Well Number
~~6886~~ 32660	CANYON LARGO UNIT	458

[7] OGRID No.	[8] Operator Name	[9] Elevation
208706	HUNTINGTON ENERGY, L.L.C.	6329'

[10] Surface Location

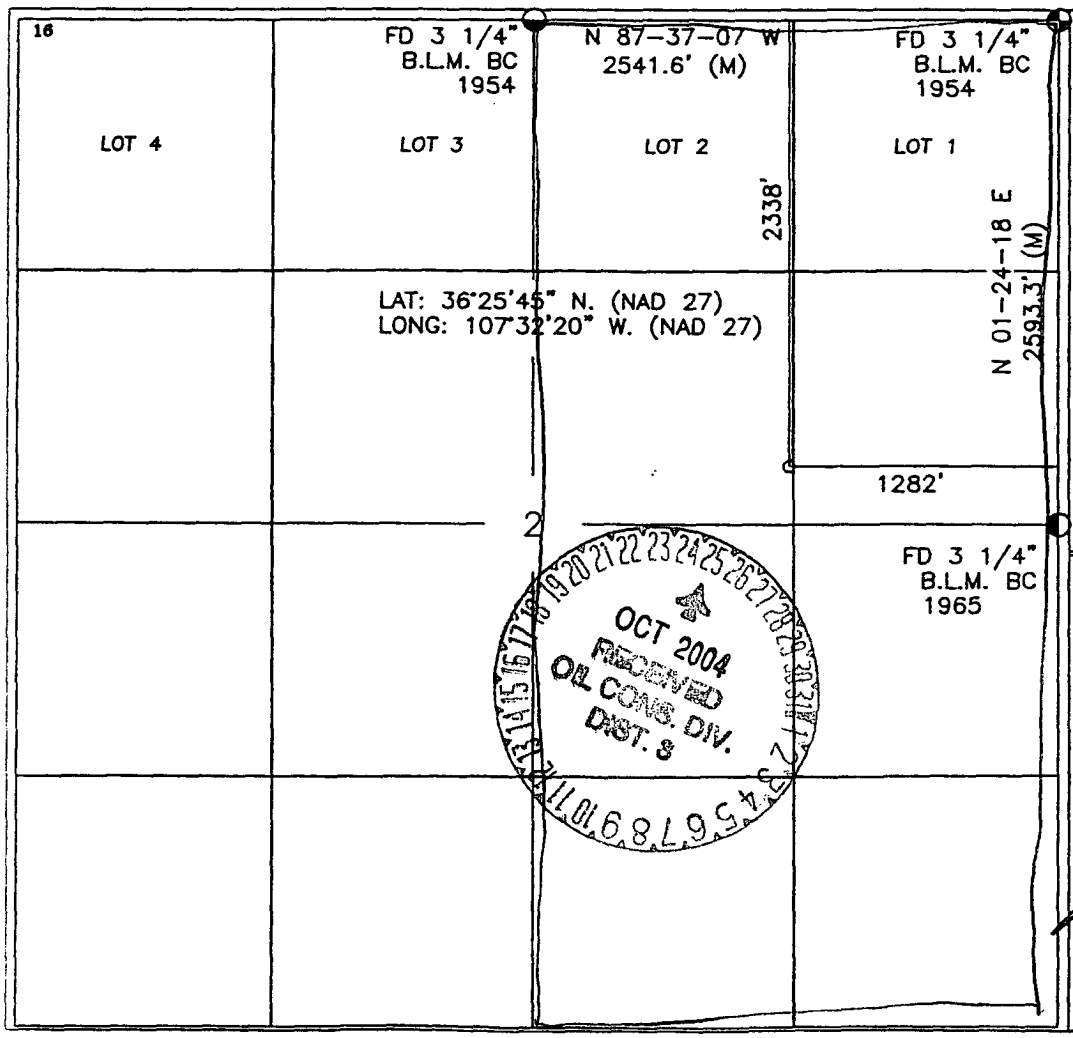
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	2	25-N	7-W		2338	NORTH	1282	EAST	RIO ARRIBA

[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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
DK-E/320.08			

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

9/6/04
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.

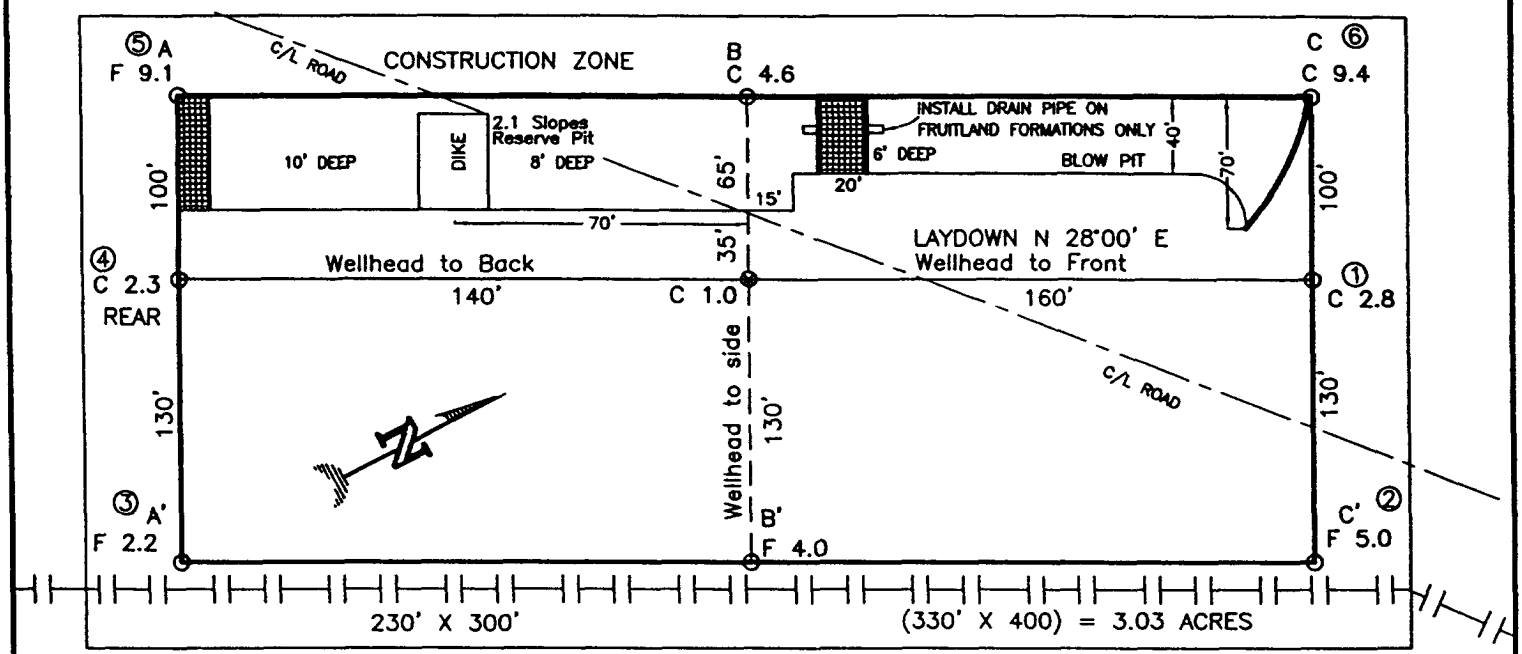
JUNE [illegible], 2004
Date of Survey

Signature and Seal of Professional Surveyor:

DONNA A. VUKONICH
NEW MEXICO
14831
REGISTERED PROFESSIONAL SURVEYOR

14831
Certificate Number

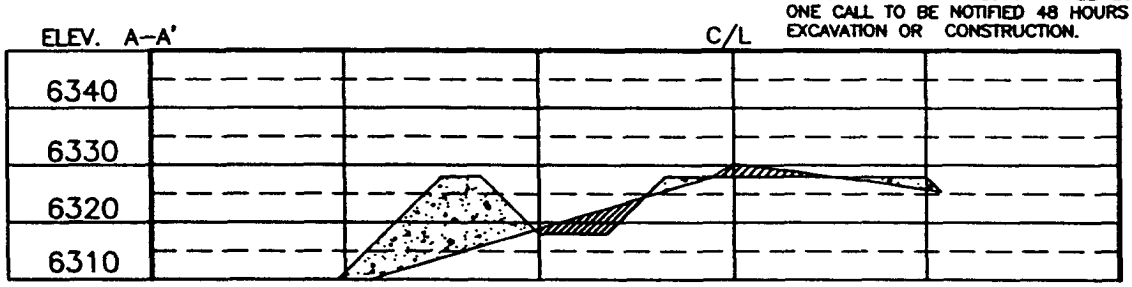
HUNTINGTON ENERGY, LLC
CANYON LARGO UNIT 458, 2338 FNL 1282 FEL
SECTION 2, T-25-N, R-7-W, N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO
GROUND ELEVATION: 6329, DATE: JUNE 18, 2004

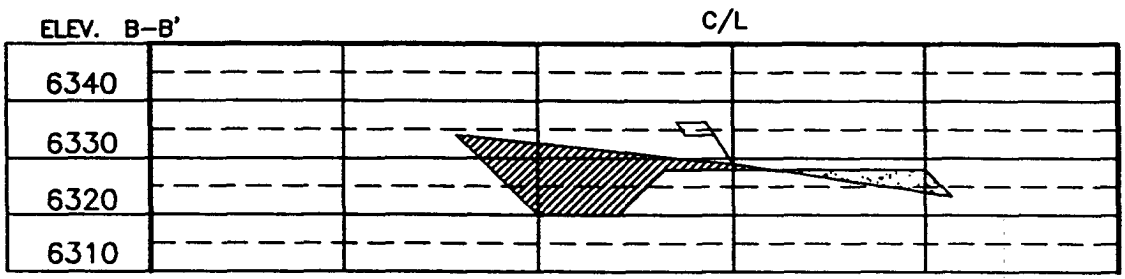


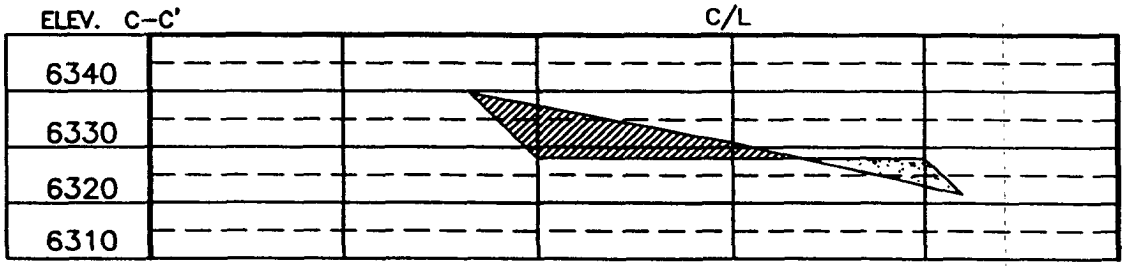
RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

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) 326-6019
NEW MEXICO L.S. No. 14831

REVISED BY: J.C.
DATE: 6/22/04
DIVISION: RELOCATION
DRAWN BY: B.L.
DATE: 03/18/04
JOB#: HGT011CF3
JOB#: HGT011

OPERATIONS PLAN

Well Name: **Canyon Largo Unit #458**
Location: 2338' FNL, 1282' FEL, SW/4 Sec 2, T-25-N, R-7-W NMPM
Rio Arriba County, NM
Formation: Basin Dakota
Elevation: 6329' 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:

Interval	Type	Weight	Vis.	Fluid Loss
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:

Hole Size	Depth Interval	Csg. Size	Wt.	Grade
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

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 ¼#/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 ½"

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