

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

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

OCT 2006

1a. Type of work: <input checked="" type="checkbox"/> DRILL <i>deepen</i> <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. Canyon Largo Unit	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. Canyon Largo Unit #316	
2. Name of Operator Huntington Energy, L.L.C.		9. API Well No. 30-039-23009	
3a. Address 6301 Waterford Blvd., Suite 400 Oklahoma City, OK 73118		10. Field and Pool, or Exploratory Basin Dakota	
3b. Phone No. (include area code) (405) 840-9876		11. Sec., T. R. M. or Blk. and Survey or Area Sec 21-25N-6W	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NWSESW 840' FSL & 1680' FWL At proposed prod. zone same		12. County or Parish Rio Arriba	
14. Distance in miles and direction from nearest town or post office* 12 miles NE of Lybrook		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 560	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		17. Spacing Unit dedicated to this well 320 W/Z	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6353' GL		20. BLM/BIA Bond No. on file NMB000076	
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, must 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 must 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 BLM.

25. Signature <i>Catherine Smith</i>		Name (Printed/Typed) Catherine Smith	Date 08/18/2006
Title Land Associate			
Approved by (Signature) <i>Original Signed: Stephen Mason</i>		Name (Printed/Typed)	Date SEP 29 2006
Title		Office	

Application approval does not warrant or certify that 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 page 2)

NMOCD

B

OPERATIONS PLAN

Well Name: Canyon Largo Unit #316
Deepening

Location: 840' FSL & 1680' FWL NWSESW Sec 21, T-25-N, R-6-W NMPM
Rio Arriba County, NM

Formation: Basin Dakota

Elevation: 6353' GL
6366' KB

<u>Formation Tops:</u>	<u>Top</u>
Greenhorn	6431'
Graneros	6494'
Dakota	6539'
Morrison	6866'
TD	7000'

Logging Program:
Open hole – Induction Density Neutron
Cased Hole – CBL TD to 4500'
Cores – none

Mud Program:
Air/Mist

<u>Existing Casing:</u>	<u>Hole Size</u>	<u>Depth Set</u>	<u>Csg. Size</u>	<u>Sx of Cmt</u>	<u>Top of Cement</u>
	12 1/4"	235'	8 5/8"	170	Surface
	7 7/8"	6160'	4 1/2"	1025	700'

<u>Proposed Casing:</u>	<u>Hole Size</u>	<u>Depth Set</u>	<u>Csg. Size</u>	<u>Sx of Cmt</u>	<u>Top of Cement</u>
	3 3/4"	7000'	2 3/8"	TBD	approx 5400'

Tubing
Set at 7000'

BOP Specifications, Wellhead and Tests:
Surface to TD –
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).

Additional Information:

- The Dakota formation will be completed.
 - No abnormal temperatures or hazards are anticipated.
 - The West half of the Section 21 is dedicated to this well.
 - This gas is dedicated.
- All of the BOP tests and drills will be recorded in the daily drilling reports.

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

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-23009	² Pool Code 71599	³ Pool Name 070 FARMINGTON NM Basin Dakota
⁴ Property Code 6886 32660	⁵ Property Name Canyon Largo Unit	
⁷ OGRID No. 208706	⁸ Operator Name Huntington Energy, L.L.C.	⁶ Well Number 316
		⁹ Elevation 6353' GL

¹⁰ Surface Location

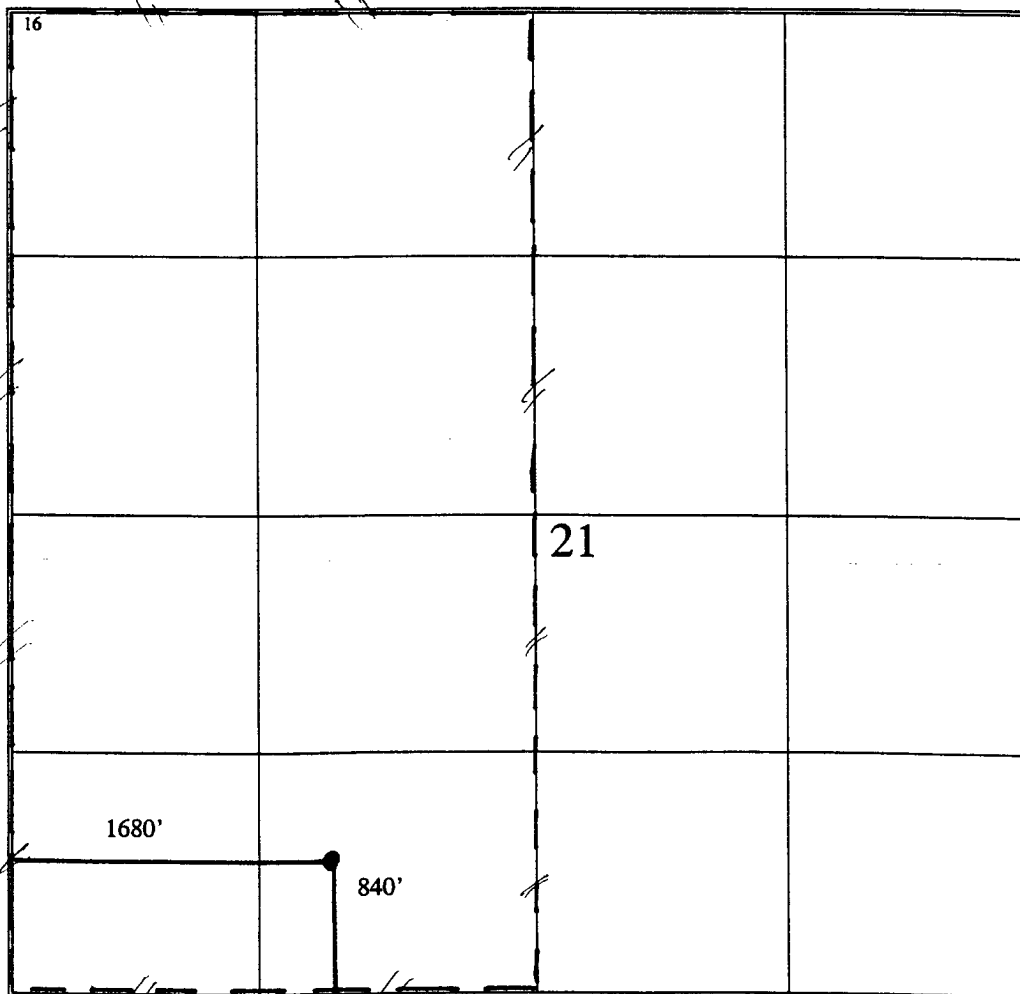
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	21	25N	6W		840	South	1680	West	Rio Arriba

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 320 1/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

<div>16</div> 	<div>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Catherine Smith</i> 9/26/06 Signature Date Catherine Smith Printed Name</div> <div>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</div>
--	---

Huntington Energy, L.L.C.

6301 Waterford Blvd., Suite 400
Oklahoma City, OK 73118
(405) 840-9876 & Fax # (405) 840-2011

Canyon Largo Unit #316

Sec. 21-25N-6W
840 FSL 1680 FWL
Rio Arriba Co., New Mexico
GL 6353'
KB 6366'

Surface Casing:

8⁵/₈" csg set at 235'. Cement w/170 sx TOC surface.

Production Casing:

4¹/₂ 11.6 set at 6160'. Cement w/225 sx 'H' TOC at stage collar 4947'
(calculated) cmt DV tool w/700 sx class B tailed w/100 sx 'H'. TOC 700'
temperature survey.

Gallup Perfs:

5681 – 6071 47 select fire

Procedure:

- 1.) MIRU WOR. ND tree NU BOP.
- 2.) Rel TAC. TOOH LD in singles w/2³/₈ tbg.
- 3.) PU 3³/₄" bit, CO, 6-3¹/₈ DC, CO & 2³/₈ work string. TIH & clean out 4¹/₂ csg to PBTD at 6118'.
- 4.) RU air unit. Drill out shoe on air.
- 5.) Drill 1000' of additional open hole on air. Cir hole clean w/air. TOOH.
- 6.) MIRU W/L truck. RIH w/logging tools. Log open hole. POOH RD & rel W/L truck.
- 7.) RIH w/BHA & 2³/₈ work string. Circ hole clean. TOOH LD in singles.
- 8.) PU 2³/₈ 4.7 EUE 8rd tbg and float equip.
- 9.) MIRU cementers. Mix and pump recommended slurry.
- 10.) RD & rel rental equip.
- 11.) Commence completion procedure.

Canyon Largo Unit #316

Current

Rio Arriba County, NM

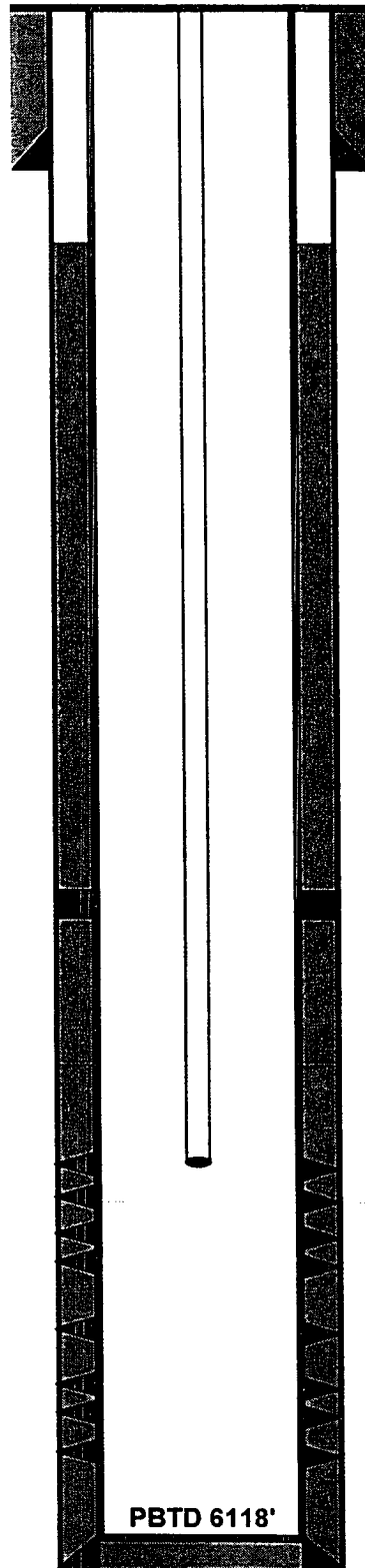
21 - 25N - 6W

840 FSL 1680 FWL NW SE SW

Spud: Sep 9, 1982
Completed: Oct 4, 1982
API: 30039230090000

Tops
Fruitland Coal @ 2010'
Pictured Cliffs @ 2257'
Chacra @ 3108'
Mancos @ 4741'
Gallup @ 5678'
Niobrara @ 5756'

Gallup Perfs
5681'
5692'
5705'
5719'
5734 - 5740'
5744 - 5754'
5780 - 5796'
5879 - 5881'
5895 - 5897'
6028 - 6035'
6037 - 6041'
6046 - 6050'
6058 - 6062'
6071'



KB: 6366'

DF: 6353'

Hole size 12-1/4"

8-5/8" 23# csg @ 235' w/ 170 sx cmt

TOC @ 700'

Stage Tool @ 4947'

2-3/8" tbg @ 5680'

Hole size 7-7/8"

4-1/2" 11.6# csg @ 6160'

lead w/ 225 sx cmt Class H 2%

tail w/ 700 sx Class B 2% D79

and 100 sx Class H gel 2%

TOC @ 700'

PBTD 6118'

TD 6160'

Canyon Largo Unit #316

Proposed

Rio Arriba County, NM

21 - 25N - 6W

840 FSL 1680 FWL NW SE SW

Spud: Sep 9, 1982
Completed: Oct 4, 1982
API: 30039230090000

Tops
Fruitland Coal @ 2010'

Pictured Cliffs @ 2257'

Chacra @ 3108'

Mancos @ 4741'

Gallup @ 5678'

Niobrara @ 5756'

Gallup Perfs

5681'

5692'

5705'

5719'

5734 - 5740'

5744 - 5754'

5780 - 5796'

5879 - 5881'

5895 - 5897'

6028 - 6035'

6037 - 6041'

6046 - 6050'

6058 - 6062'

6071'

KB: 6366'

DF: 6353'

Hole size 12-1/4"

8-5/8" 23# csg @ 235' w/ 170 sx cmt

TOC @ 700'

Stage Tool @ 4947'

Hole size 7-7/8"

4-1/2" 11.6# csg @ 6160'

lead w/ 225 sx cmt Class H 2%

tail w/ 700 sx Class B 2% D79

and 100 sx Class H gel 2%

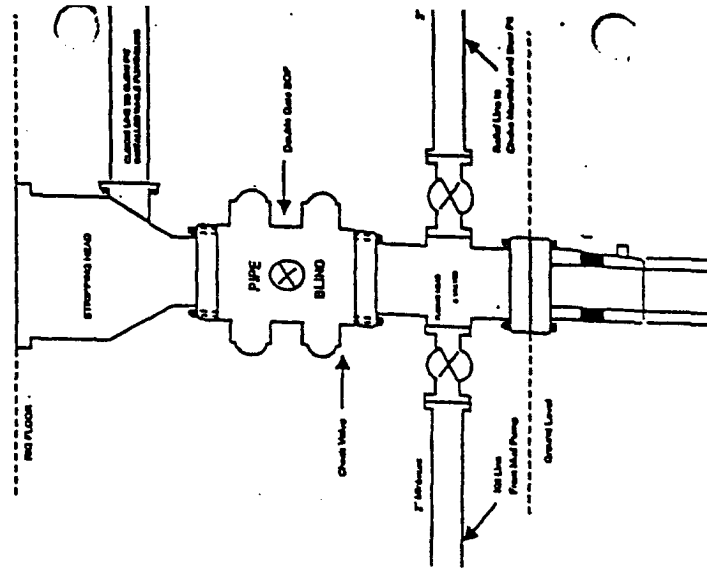
TOC @ 700'

2-3/8" tbg 4.7# PU 6 tubing cemented
in hole. TOC above Gallup'

TD @ 7000'

HUNTINGTON ENERGY, L.L.C.

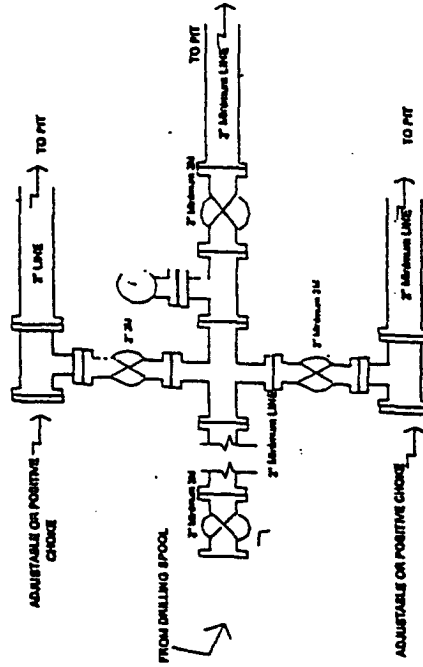
Completion/Workover Rig BOP Configuration 2,000 psi System



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

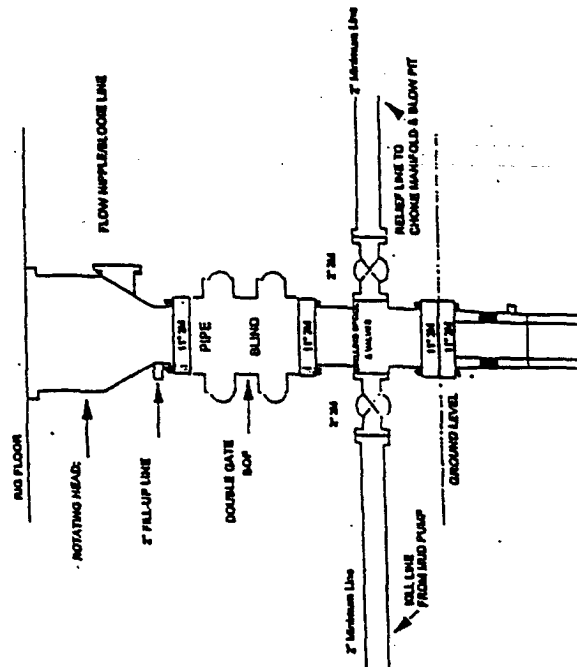
Drilling Rig Choke Manifold Configuration 2000 psi System



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

Figure #3

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

Well Pad Boundary

Well Head

Cathodic Protection

Separator

Earthen Berm

Tanks (As required)

Dehydrator

Fiberglass Pit

Chemical
Facility

Meter Run

PLAT #1

ANTICIPATED
PRODUCTION FACILITIES
FOR A
DAKOTA WELL

