

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-039-23388
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-291-5
7. Lease Name or Unit Agreement Name Canyon Largo Unit
8. Well Number 335
9. OGRID Number 208706
10. Pool name or Wildcat Devils Fork Gallup

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Huntington Energy, L.L.C.

3. Address of Operator
908 N.W. 71st St., Oklahoma City, OK 73116

4. Well Location

Unit Letter F: 1620 feet from the North line and 1750 feet from the West line

Section 32 Township 25N Range 6W NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6798' KB

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Extension ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Huntington Energy, L.L.C. respectfully requests a 120 day extension for the above referenced well, which will expire on February 17, 2008. The extension request is to allow for time to discuss and receive approval from working interest owners for deepening or coming up hole in this well.

RCVD OCT 22 07
OIL CONS. DIV.

DIST. 3

Denied

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Catherine Smith TITLE Regulatory DATE 10/18/2007

Type or print name Catherine Smith E-mail address: csmith@huntingtonenergy.com Telephone No. (405) 840-9876

For State Use Only

APPROVED BY: X TITLE X

Conditions of Approval (if any):

DATE

NOV 19 2007



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

CW 335



September 17, 2007

Rule 40 of the Oil Conservation Division requires that the OCD notify any operator who operates a well that has shown no production or injection for the past twelve months. You may have received notification in the past few months of the wells that met that criteria at that time. If any additional wells now meet that criteria, attached to this letter you will find a list of all wells in that status as of this month.

This list excludes wells in Approved Temporary Abandonment status, wells covered by an Agreed Compliance Order for inactive wells, and wells that have been plugged but for which the site has not yet been released.

Please review the Oil Conservation Division's 2005 enforcement rules on the web to learn what impact this list of wells may have on your organization. These are available at www.emnrd.state.nm.us/oed, Rules, Newly Adopted Enforcement Rules.

You may keep yourself informed of upcoming inactive wells by going to www.emnrd.state.nm.us/oed, then OCD Online, then E-Permitting, then Inactive Well List. Enter three or more characters of your organization's name and select the right company from the pull-down list. Then click Get Report. The default report shows you all wells that have been inactive for 15 or more months; you may change this to 8 months or anything else to see which wells may cause inactivity issues in the future.

If you believe any of these wells should have been reported with production or injection volumes on your C-115, please amend and re-file those C-115s immediately. If you have any other questions about why these wells are appearing as inactive, **please contact the OCD District Supervisor for the district in which the well in question is located.**

We have received some questions about the Status indicators of P and D. P means that the most active zone for this well at this time is a plugged zone. It does not mean that the well itself has been plugged or "plugged-not-released." This well would not be on the Inactive Well List if OCD had recorded the wellbore as plugged or "plugged-not-released"; if you believe that the well is plugged, please contact the OCD district. The D means that the most active zone for the well is recorded as a dry hole. If your records show otherwise, please contact the district.

RCVD OCT 22 '07

OIL CONS. DIV.

DIST. 3

Sincerely,

Jane Prouty

Bureau Chief, Automation and Records Bureau

Inactive Well List

Since: 9/22/2006

Printed On: September 17,2007

District	API	Well	ULSTR	OCD Unit	OGRID	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
3	30-039-23388	CANYON LARGO UNIT #335	F-32-25N-06	F	208706	HUNTINGTON ENERGY, LLC	S	O	7/1/2006			

March 20, 2007

New Financial Assurance Requirements

Effective January 1, 2008, a state or fee well inactive for more than two years and not plugged and released must be covered by a single well financial assurance, **even if the well is covered by a blanket financial assurance**. See Rule 101.B [19.15.3.101.B NMAC]. To view the full text of the rule, go to the Division's website, www.emnrd.state.nm.us/ocd, click on "Rules," then click on "To Access our Rules" (selecting either the PDF format or the "word" format), scroll down the index and click on Rule 101, "Financial Assurance for Well Plugging."

Note that the single well financial assurance requirement **applies to wells on approved temporary abandonment status, wells covered by an inactive well agreed compliance order, and wells with a plugged wellbore if the site has not been released in accordance with Rule 202 [19.15.4.202 NMAC]**. The Division may waive the single well financial assurance requirement for a well that is shut in because it lacks a pipeline connection. The single well financial assurance requirement does not apply to federal wells.

The amount required for a single well financial assurance also increased, effective December 15, 2005. For wells in Chaves, Eddy, Lea, McKinley, Rio Arriba, Roosevelt, Sandoval and San Juan counties, the amount is \$5,000 plus \$1 per foot of projected depth of a proposed well or measured depth of an existing well. For all other counties the amount is \$10,000 plus \$1 per foot of depth. See Rule 101.C(2) [19.15.3.101.C(2) NMAC]. Operators who have single well financial assurances in place should check to make sure the amounts meet current requirements.

By September 2007 the Division intends to post a financial assurance report on its website under "E-Permitting" that will show which wells are subject to the new requirements, when those wells will be inactive for two years (and therefore subject to the single well financial assurance requirement), the amount of the single well financial assurance, whether the financial assurance has been posted, and whether the operator is in violation of Rule 101.B. The information in the report will be updated daily.

The attached file is a preview of the information that will be available in the online financial assurance report. Unlike the online report that will be posted in September, which will be updated daily, the attached file covers only your wells and is a "snapshot" of information available on a specific date: March 15, 2007. The attached file is provided to help you become familiar with the format that will be used in the online report, and to help you review the status of your wells before the online report becomes available in September.

- The “Last Prod/Inj” column shows the month for which the well last reported production or injection. The online report will recalculate the date each time new production or injection is reported for the well.
- The “Inactive Additional Bond Due” column contains a date if the well is subject to the new financial assurance requirements. The date listed is two years from the last reported production or injection, i.e., the date a single well financial assurance will be required for the well if it is not plugged and released and no further production or injection is reported. The online report will re-calculate the date each time new production or injection is reported for the well.
- The “Depth” column shows the measured depth of the well, which is used for calculating the amount of the single well financial assurance. If the Division does not know the measured depth, the true vertical depth is shown. If neither depth is available, the depth is listed as “unknown.” (You will need to provide the measured depth. See “Enter Depth,” below.)
- The “Bond Amount” column calculates the dollar amount of the financial assurance for the well, based on the depth of the well and the county in which it is located.
- The “Bond Required 1-1-08” column shows a “Y” if the well will require a single well financial assurance when the new requirements take effect on January 1, 2008 (if the well is not plugged and released or returned to production or injection by that date).
- The “Bond in Place” column shows a “Y” if the well is covered by a single well financial assurance meeting current requirements.
- The “Enter Depth” column shows an underscore if the depth for the well is unknown. **Please write the measured depth next to the well on the hard copy of the list and send it to Dorothy Phillips, FAX 505 476-3462, so we can update our records.**

For further information, please contact Financial Assurance Administrator Dorothy Phillips, (505) 476-3461, dorothy.phillips@state.nm.us.

This notice is being sent to each operator’s address of record as shown in Division records. If you wish Division notices to your company to be sent to a different address, please change your address of record by going to the Division’s website, www.emnrd.state.nm.us/ocd, “OCD Online”, “E- Permitting.” From this screen you can obtain a user id or sign on if you have a user id, then go to Administration, then Modify/Update Address and Contact Information.

Rule 101.C [19.15.3.101.C NMAC] requires Operators to keep the Division informed of their current address of record and emergency contact information.