

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
I22IND2772

6. If Indian, Allottee or Tribe Name
UTE MOUNTAIN UTE

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

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

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

3b. Phone No. (include area code)
405-840-9876

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Lot H, 1410' FNL & 1070' FEL
Sec 16-32N-14W

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
UTE MOUNTAIN UTE #103

9. API Well No.
30-045-35056

10. Field and Pool or Exploratory Area
Barker Creek - Dakota Pool

11. Country or Parish, State
San Juan Co., NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☒ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other _____

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Huntington Energy, L.L.C. requests to change hole size for the surface casing to 12 1/4". The production hole size change to 7 7/8". The cementing program has now changed to account for the volume. The Surface and Production Casing changes were done to facilitate the drilling rig size of drill pipe. Attached is the revised Operations Program. The Operations changes are highlighted.

RCVD NOV 9 '10
OIL CONS. DIV.

DIST. 3

RECEIVED

NOV - 8 2010

Bureau of Land Management
Durango, Colorado

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Catherine Smith

Title Regulatory

Signature

Catherine Smith

Date 11/02/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

AMSC

Date

11/3/2010

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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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)

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OPERATIONS PLAN

Well Name: Ute Mountain Ute #103
Location: Lot H, 1410' FNL & 1070' FEL, SENE, Sec 16, T32N-R14W
 San Juan Co., New Mexico
Formation: Basin Dakota
Elevation: 7112' GR

<u>Formation Tops:</u>	<u>TVD Top</u>	<u>Contents</u>
Menefee	Surface	
Point Lookout	997'	
Mancos	1377'	gas or water
Gallup (Niobrara)	2357'	oil or water
Greenhorn	3077'	
Graneros	3132'	gas or water
Dakota	3197'	gas or water
Burro Canyon	3412'	
Morrison	3497'	
TD	3700'	

Logging Program:
 Mud log – 550' to TD
 Open hole logs – AIT/GR/SP/CNL/LDT Surface Casing to TD
 Cased hole logs– CBL/GR – TD to surface
 Cores & DST's – none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0-550'	Spud	8.4-9.0	40-50	no control
550-3700' MD	Clean Faze	8.4-9.0	32-40	≤10 cc

Pit levels will be visually monitored to detect gain or loss of fluid control.

Casing Program (as listed, the equivalent, or better):

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0-550' 425' *	8 5/8"	24#	J-55
7 7/8"	0 – 3700' MD	4 1/2"	10.5#	J-55

Tubing Program:

0 – 3700' MD	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. Drilling Spool may or may not be employed.
 2" nominal, 3000 psi minimum choke manifold (Reference Figure #2).

Completion Operations:
 7 1/16" 3000 psi double gate BOP stack (Reference Figure #1). After nipple-up prior to completion, pipe rams, and casing will be tested to 2000 psi for 15 minutes.

Float Equipment:
 8 3/8" surface casing – saw tooth guide shoe.
 Centralizers will be run in accordance with Onshore Order #2.
 4 1/2" production casing – guide shoe and self-fill float collar. Standard centralizers run every other joint above shoe. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

* as per phone conversation w/ Cathy Smith (HE), 11/3/2010 dir

Wellhead:

8 5/8" x 4 1/2" x 2 3/8" x 5000 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.
- BOP pit level drill will be conducted weekly for each drilling crew.
- All 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/375 sx Premium cement 2% Calcium Chloride and 1/4# Flocele (439 cu. ft. of slurry). WOC 8 hours before pressure testing or drilling out from under surface casing.

4 1/2" production Casing -

Lead with 286 sx San Juan PRB-2, 5# Gil/sk + .25#/sk Superflake (641 cu ft of slurry – est top of cement: surface). Tail w/200 sx San Juan PRB-2, 5# Gil/sk + .25#/sk Superflake (398 cu ft of slurry – est top of tail cement: 2300').

Note: 50% excess cement will be used unless open hole logs are run, then 25% excess cement over caliper will be pumped. Cement will be circulated to surface.

Float guide shoe/float collar ran on bottom jt. Bowspring centralizers will be run in accordance with Onshore Order #2.

- If hole conditions permit, an adequate water space will be pumped ahead of each cement job to prevent cement/mud contamination or cement hydration.

Additional Information:

- The Dakota formation will be completed. If non-commercial, the Mancos will be secondary objective.
- No abnormal temperatures or hazards are anticipated. No H2S is anticipated.
- Anticipated pore pressure for the Dakota is 750 psi. Maximum bottom hole pressure at TD is 1150 psi. (Maximum expected pressure: This represents normal pressure gradients for the Morrison and Dakota Formation in this area.)
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered.
- The northeast quarter of Section 16 is dedicated to this well. This gas is dedicated.