

BEFORE THE OIL CONSERVATION DIVISION  
NEW MEXICO ENERGY, MINERALS AND  
NATURAL RESOURCES DEPARTMENT

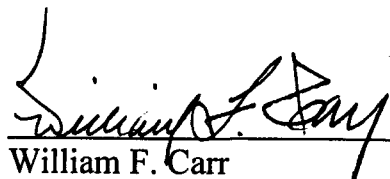
APPLICATION OF HUNTINGTON ENERGY, L.L.C.  
FOR COMPULSORY POOLING, RIO ARRIBA  
COUNTY, NEW MEXICO.

CASE NOS. 13417 & 13418

AFFIDAVIT

STATE OF NEW MEXICO       )  
) ss.  
COUNTY OF SANTA FE )

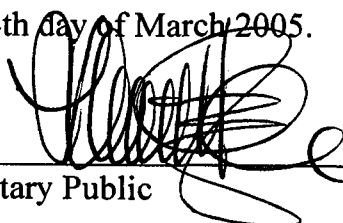
William F. Carr, attorney in fact and authorized representative of Huntington Energy, L.L.C., the Applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested persons shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.

  
William F. Carr

SUBSCRIBED AND SWORN to before me this 14th day of March 2005.



OFFICIAL SEAL  
LISAMARIE ORTIZ  
NOTARY PUBLIC-STATE OF NEW MEXICO  
My commission expires 1/14/07

  
Notary Public

My Commission Expires:

2/14/07

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case Nos. 13417 & 13418 Exhibit No. 6  
Submitted by:  
Huntington Energy, L.L.C.  
Hearing Date: April 7, 2005

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage)

OFFICIAL USE

465480002  
Postage \$ 1.06  
Certified Fee 2.30  
Return Receipt Fee (Endorsement Required) 1.75  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees \$ 5.11

Sent To  
Astin Corporation  
1000 North Central  
Expressway  
Suite 1540  
Dallas, TX 75231-416

PS Form 3800

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Astin Corporation  
1000 North Central  
Expressway  
Suite 1540  
Dallas, TX 75231-416

2. Article Number (Copy from sender) 7001 1140 0002 9557 6701

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ConocoPhillips Company  
Attn: Tom Scarborough  
Mid-America - San Juan  
600 North Dairy Ashford  
Houston, TX 77079

2. Article Number (Copy from sender) 7001 1140 0002 9557 6718

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) Debbie Hall B. Date of Delivery 2-14-05

C. Signature X Debbie Hall ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☒ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage)

OFFICIAL USE

465480002  
Postage \$ 1.06  
Certified Fee 2.30  
Return Receipt Fee (Endorsement Required) 1.75  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees \$ 5.11

Sent To  
ConocoPhillips Company  
Attn: Tom Scarborough  
Mid-America - San Juan  
600 North Dairy Ashford  
Houston, TX 77079

PS Form 3800

Received by (Please Print Clearly) Rod Tollma

C. Signature X Rod Tollma ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☒ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

465480002  
Postage \$ 1.06  
Certified Fee 2.30  
Return Receipt Fee (Endorsement Required) 1.75  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees \$ 5.11

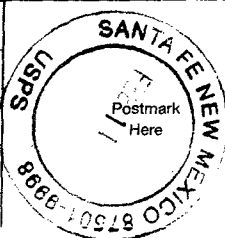
Sent To  
Dugan Production Corp.  
Attn: Skip Fraker  
Post Office Box 420  
Farmington, NM 87499

PS Form 3800

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

46548.0002  
Postage \$ 1.06  
Certified Fee 230  
Return Receipt Fee (Endorsement Required) 1.75  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees \$ 5.11



Mail  
Returned

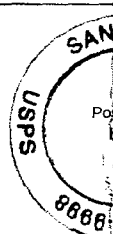
Sent To **Leland Production Petroleum, Inc.**  
Street, Apt. No., or PO Box No. **2101 McKinney Avenue**  
City, State, ZIP+ **Dallas, TX 75201**

PS Form 3800, 5-99

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

46548.0002  
Postage \$ 1.06  
Certified Fee 230  
Return Receipt Fee (Endorsement Required) 1.75  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees \$ 5.11



Sent To **William G. Mennon**  
Street, Apt. No., or PO Box No. **7079 Fairway Place**  
City, State, ZIP+ **Carmel, CA 93923-9585**

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**William G. Mennon**  
**7079 Fairway Place**  
**Carmel, CA 93923-9585**

2. Article Number (Copy from

7001 1140 0002 9557 6749

PS Form 3811, July 1999

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) **A. Mennon** B. Date of Delivery **7/15/99**  
C. Signature **William G. Mennon** ☒ Agent ☐ Addressee  
D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☒ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Domestic Return Receipt

102595-00-M-0952



U.S. POSTAGE  
05.11  
METER 511075

**HOLLAND & HART**

JEFFERSON PLACE  
110 NORTH GUADALUPE  
SUITE 1  
SANTA FE, NEW MEXICO 87501  
MAILING ADDRESS  
P.O. BOX 2208  
SANTA FE, NEW MEXICO 87504-2208



Leland Production Petroleum,  
Inc.  
2101 McKinney Avenue  
Dallas, TX 75201

**RETURN RECEIPT  
REQUESTED**

*Huntington*

7001 1140 0002 7557 6732

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**Leland Production Petroleum,  
Inc.  
2101 McKinney Avenue  
Dallas, TX 75201**

2. Article Number (Copy from:

7001 1140 0002 9557 6732

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

**X**

☐ Agent  
☐ Addressee

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail  
☐ Registered ☒ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

#13417

**EXHIBIT A**

**Amended Application of Huntington Energy, L.L.C.  
for compulsory pooling,  
Rio Arriba County, New Mexico  
Section 2: Unit Letter H  
Township 25 North, Range 7 West, NMPM  
Rio Arriba County, New Mexico.**

**State Com Well No. 1-2**

Astin Corporation  
1000 North Central Expressway  
Suite 1540  
Dallas, Texas 75231-4161

ConocoPhillips Company  
Mid-America – San Juan  
600 North Dairy Ashford  
Houston, Texas 77079  
Attention: Tom Scarborough

Dugan Production Corp.  
Post Office Box 420  
Farmington, New Mexico 87499  
Attention: Skip Fraker

Leland Production Petroleum, Inc.  
2101 McKinney Ave.  
Dallas, Texas 75201

William G. Mennen  
Address Unknown

William G. Mennen  
7079 Fairway Place  
Carmel, California 93923-9585

HOLLAND & HART



William F. Carr  
wcarr@hollandhart.com

February 11, 2005

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

TO ALL AFFECTED INTEREST OWNERS:

Re: Case 13417: Amended Application of Huntington Energy, L.L.C. for compulsory pooling, Rio Arriba County, New Mexico.

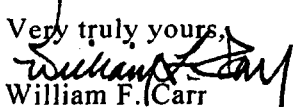
Ladies and Gentlemen:

This letter is to advise you that Huntington Energy, L.L.C. has filed the enclosed amended application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests from the base of the Mesaverde formation to the Base of the Dakota formation in the following described acreage in irregular Section 2, Township 25 North, Range 7 West, NMPM: the E/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin-Dakota Gas Pool; the NE/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SW/4 NE/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to Huntington's proposed Largo Canyon Well No. 458 to be drilled a standard well location 2338 feet from the North line and 1282 feet from the East line of said Section 2 to a depth sufficient to test all formations from the base of the Mesaverde formation to the base of the Dakota formation.

This application has been set for hearing before a Division Examiner on March 17, 2005. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this amended application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-hearing Statement three days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

  
William F. Carr

ATTORNEY FOR HUNTINGTON ENERGY L.L.C.

cc: Carl E. Sherrill  
Huntington Energy, L.L.C.

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☏

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE AMENDED APPLICATION OF HUNTINGTON ENERGY, L.L.C.  
FOR COMPULSORY POOLING, RIO ARriba COUNTY, NEW MEXICO.**

**CASE NO. 13417**

**AMENDED APPLICATION**

Huntington Energy, L.L.C., ("Huntington") through its undersigned attorneys, hereby files this amended application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17(C), for an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West, NMPM: the E/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin-Dakota Gas Pool; the NE/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 NE/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent, and in support thereof states:

1. Huntington is a working interest owner in the E/2 of said Section 2 and has the right to drill thereon.
2. Huntington proposes to dedicate the above-referenced spacing and proration unit to its Largo Canyon Unit Well No. 458 to be drilled at a standard well location 2338 feet from the North line and 1282 feet from the East line of said Section 2 to a depth sufficient to test all formations from the base of the Mesaverde formation to the base of the Dakota formation.
3. Huntington has sought and been unable to obtain a voluntary agreement for the development of these lands from those interest owners identified on Exhibit A to this application.
4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
5. In order to permit Huntington the opportunity to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Huntington Energy, L.L.C. should be designated the operator of the well to be drilled.

WHEREFORE, Huntington Energy, L.L.C. requests that this amended application be set for hearing before an Examiner of the Oil Conservation Division on March 17, 2005 and, after notice and hearing as required by law, the Division enter its order:

- A. pooling all mineral interests in the subject spacing units,
- B. designating Huntington Energy, L.L.C. operator of this spacing unit and the well to be drilled thereon,
- C. authorizing Huntington Energy, L.L.C. to recover its costs of drilling, equipping and completing the well,
- D. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures, and
- E. imposing a 200% penalty for the risk assumed by Huntington Energy, L.L.C. in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,  
HOLLAND & HART LLP

By: 

William F. Carr  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR HUNTINGTON ENERGY,  
L.L.C.



**CASE 13417:**

**Amended Application of Huntington Energy, L.L.C. for compulsory pooling, Rio Arriba County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West, NMPM: the E/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin Dakota Gas Pool; the NE/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 NE/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to its Canyon Largo Unit Well No. 458 to be drilled at a standard well location 2338 feet from the North line and 1282 feet from the East line of said Section 2 to an approximate depth of 7500 feet. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Huntington Energy, L.L.C. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Blanco, New Mexico.

# Affidavit of Publication

State of New Mexico  
County of Rio Arriba

I, Robert Trapp, being first duly sworn, declare and say I am the Publisher of the **Rio Grande SUN**, a weekly newspaper published in the English language and having a general circulation in the County of Rio Arriba, State of New Mexico, and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937. The publication, a copy of which is hereto attached, was published in said paper once each week for

1 consecutive weeks and on the same day of each week in the regular issue of the paper during the time of publication and the notice was published in the newspaper proper, and not in any

supplement. The first publication being on the 17<sup>th</sup> day of

FEB and the last

publication on the 17<sup>th</sup> day of FEB.

17<sup>th</sup> payment for said advertisement has been duly made, or assessed as court costs. The undersigned has personal knowledge of the matters and things set forth in this affidavit.

Robert Trapp

Publisher

Subscribed and sworn to before me this 17<sup>th</sup> day of

FEB A.D. 2005

Ruth Shapp

Notary Public

My commission expires 17 May 2005

## NOTICE OF PUBLICATION STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on March 17, 2005, in the Oil Conservation Division Hearing Room at 1220 South of St. Francis, Santa Fe, New

Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by March 7, 2005. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

**STATE OF NEW MEXICO TO**  
All named parties and persons having any right, title, interest or claim in the following cases and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated).

**CASE 13417:**

**Amended Application of**  
Huntington Energy, L.L.C. for compulsory pooling, Rio Arriba County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West, NMPM: the E/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin

sh Dakota Gas Pool; the NE/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 NE/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to its Canyon Largo Unit Well No. 458 to be drilled at an standard well location 2338 feet from the North line and 1282 feet from the East line of said Section 2 to an approximate depth of 7500 feet. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Huntington Energy, L.L.C. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Blanco, New Mexico. Given under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 11th day of February 2005.  
STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION  
Mark E. Fesmire, P.E. Director  
(Published February 17, 2005)

# 13418

**EXHIBIT A**

**Amended Application of Huntington Energy, L.L.C.  
for compulsory pooling,  
Rio Arriba County, New Mexico  
Section 2: Unit Letter F  
Township 25 North, Range 7 West, NMPM  
Rio Arriba County, New Mexico.**

**Canyon Largo Unit Well No. 473**

Astin Corporation  
1000 North Central Expressway  
Suite 1540  
Dallas, Texas 75231-4161

ConocoPhillips Company  
Mid-America – San Juan  
600 North Dairy Ashford  
Houston, Texas 77079  
Attention: Tom Scarborough

Dugan Production Corp.  
Post Office Box 420  
Farmington, New Mexico 87499  
Attention: Skip Fraker

Leland Production Petroleum, Inc.  
2101 McKinney Ave.  
Dallas, Texas 75201

William G. Mennen  
Address Unknown

William G. Mennen  
7079 Fairway Place  
Carmel, California 93923-9585

HOLLAND & HART LLP



William F. Carr  
wcarr@hollandhart.com

February 11, 2005

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

TO ALL AFFECTED INTEREST OWNERS:

Re: Case No. 13418: Amended Application of Huntington Energy, L.L.C. for compulsory pooling, Rio Arriba County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Huntington Energy, L.L.C. has filed the enclosed amended application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests from the base of the Mesaverde formation to the base of the Dakota formation in the following described acreage in irregular Section 2, Township 25 North, Range 7 West, NMPM: ~~the W/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin-Dakota Gas Pool; the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 NW/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent.~~ Said units are to be dedicated to Huntington's proposed Canyon Largo Unit Well No. 473 to be drilled an unorthodox well location 1350 feet from the North and West lines of said Section 2 to a depth sufficient to test all formations from the base of the Mesaverde formation to the base of the Dakota formation.

This application has been set for hearing before a Division Examiner on March 17, 2005. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-hearing Statement three days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

  
William F. Carr

ATTORNEY FOR HUNTINGTON ENERGY L.L.C.

cc: Carl E. Sherrill  
Huntington Energy, L.L.C.

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☺

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE AMENDED APPLICATION OF HUNTINGTON ENERGY,  
L.L.C. FOR COMPULSORY POOLING, RIO ARriba COUNTY, NEW MEXICO.**

**CASE NO. 13418**

**AMENDED APPLICATION**

Huntington Energy, L.L.C., ("Huntington") through its undersigned attorneys, hereby files this amended makes application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17(C), for an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West, NMPM: the W/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin- Dakota Gas Pool; the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 NW/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent, and in support thereof states:

1. Huntington is a working interest owner in the W/2 of said Section 2 and has the right to drill thereon.
2. Huntington proposes to dedicate the above-referenced spacing and proration unit to its Canyon Largo Unit Well No. 473 to be drilled at an unorthodox well location 1350 feet from the North and West lines of said Section 2 to a depth sufficient to test all formations from the base of the Mesaverde formation to the base of the Dakota formation.
3. Huntington has sought and been unable to obtain a voluntary agreement for the development of these lands from those interest owners identified on Exhibit A to this Application.
4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
5. In order to permit Huntington the opportunity to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Huntington Energy, L.L.C. should be designated the operator of the well to be drilled.

WHEREFORE, Huntington Energy, L.L.C. requests that this amended application be set for hearing before an Examiner of the Oil Conservation Division on March 17, 2005 and, after notice and hearing as required by law, the Division enter its order:

- A. pooling all mineral interests in the subject spacing units,
- B. designating Huntington Energy, L.L.C. operator of this spacing unit and the well to be drilled thereon,
- C. authorizing Huntington Energy, L.L.C. to recover its costs of drilling, equipping and completing the well,
- D. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures, and
- E. imposing a 200% penalty for the risk assumed by Huntington Energy, L.L.C. in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By: 

William F. Carr  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR HUNTINGTON  
ENERGY, L.L.C.

**CASE 13418:**

**Amended Application of Huntington Energy, L.L.C. for compulsory pooling , Rio Arriba County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West, NMPM: the W/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin Dakota Gas Pool; the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 NW/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to its Canyon Largo Unit well No. 473 to be drilled at an unorthodox well location 1350 feet from the North and West lines of said Section 2 to an approximate depth of 7500 feet. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Huntington Energy, L.L.C. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Blanco, New Mexico.

# Affidavit of Publication

State of New Mexico  
County of Rio Arriba

I, Robert Trapp, being first duly sworn, declare and say I am the Publisher of the **Rio Grande SUN**, a weekly newspaper published in the English language and having a general circulation in the County of Rio Arriba, State of New Mexico, and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937. The publication, a copy of which is hereto attached, was published in said paper once each week for

1 consecutive weeks and on the same day of each week in the regular issue of the paper during the time of publication and the notice was published in the newspaper proper, and not in any

supplement. The first publication being on the 17<sup>th</sup> day of

FEB and the last

publication on the 17<sup>th</sup> day of FEB

2005 payment for said advertisement has been duly made, or assessed as court costs. The undersigned has personal knowledge of the matters and things set forth in this affidavit.

Robert Trapp

Publisher

Subscribed and sworn to before me this 17<sup>th</sup> day of

FEB. A.D. 2005

Ruth S Trapp  
Notary Public  
My commission expires 17 May 2005

## NOTICE OF PUBLIC HEARING STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

### SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 a.m. on March 17, 2005, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by March 7, 2005. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

### STATE OF NEW MEXICO TO

All named parties and persons having any right, title, interest or claim in the following cases and notice to the public

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

### CASE 13418:

Amended Application of Huntington Energy L.L.C. for compulsory pooling, Rio Arriba County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West, NMPM: the W/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin Dakota Gas Pool; the acre spacing within that vertical extent; and the SE/4 NW/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to its Canyon Largo Unit Well No. 473 to be drilled at an unorthodox well location 1350 feet from the North and

### Sher's Bill

East lines of said Section 2 to an approximate depth 7500 feet. Also be considered will be the cost of drilling and completing said well allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Huntington Energy, L.L.C. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Blanco, New Mexico. Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 11th day of February 2005.

### STATE OF NEW MEXICO OIL CONSERVATION

### DIVISION

Mark E. Fesmire, P.E., Director  
(Published February 17, 2005)

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