

RECEIVED

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRIY 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.

SUBMIT IN TRIPLICATE - Other Instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Jicarilla Contract 464
2. Name of Operator Black Hills Gas Resources, Inc.		6. If Indian, Allottee, or Tribe Name Jicarilla Apache Tribe
3a. Address 3200 N 1st St, Bloomfield, NM 87413	3b. Phone No. (include area code) (505) 634-5104	7. If Unit or CA. Agreement Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 800' FSL & 800' FWL Section 30 T30N R3W(UL: N) 400		8. Well Name and No. Jicarilla 464-30 #9
		9. API Well No. 30-039-25789
		10. Field and Pool, or Exploratory Area East Blanco Pictured Cliffs
		11. County or Parish, State Rio Arriba County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> Water Disposal	

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 performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall 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 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

13. Per the Notice of Intent dated February 6, 2013, to plug and abandon Jicarilla 464-30 #9, Black Hills Gas Resources is submitting the attached plug and abandon procedure

RCVD APR 2 '13
OIL CONS. DIV.
DIST. 3

Notify NMOCD 24 hrs
prior to beginning
operations

14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) **Daniel Manus** Title **Regulatory Technician**

Signature *Daniel Manus* Date *March 26, 2013*

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Original Signed: Stephen Mason** Title **Stephen Mason** Date **MAR 28 2013**

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.

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 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

PLUG AND ABANDONMENT PROCEDURE

March 19, 2013

Jicarilla 464-30 #9

Basin Fruitland Coal / Cabresto Canyon; Tertiary
400' FSL, 800' FWL, Section 30, T30N, R3W, Rio Arriba County, NM
API 30-039-25789 / Long: _____ / Lat: _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes____, No X, Unknown____.
Tubing: Yes X, No____, Unknown____, Size 2-3/8", Length 3924'.
Packer: Yes____, No X, Unknown____, Type____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
4. **Plug #1 (Pictured Cliffs, Fruitland Coal perforations and Fruitland, Kirtland, Ojo Alamo tops, 3905' – 3290')**: RIH with open ended tubing to 3905' or as deep as possible. Mix 88 sxs Class B cement (100' excess over perforations) and spot a plug to isolated the PC, Fruitland Coal interval, Kirtland and Ojo Alamo tops. PUH and WOC. TIH and tag TOC at 3290' or higher. If tag is low spot additional cement as required. PUH.
5. **Plug #2 (Nacimiento perforations, 3134' – 2704')**: Mix 55 sxs Class B cement and spot a balanced plug inside the casing to cover the Nacimiento perforations. PUH.

21 78 20 78
6. **Plug #3 (Nacimiento top, 2236' – 2136')**: Mix 17 sxs Class B cement and spot a balanced plug inside the casing to cover the Nacimiento top. TOH.
7. **Plug #4 (San Jose perforations, 1615' – 1515')**: TIH and set 5.5" CR or CIBP at 1615'. Mix 17 sxs Class B cement and spot a balanced plug inside the casing above the CR or CIBP to isolate the San Jose perforations. PUH.
8. **Plug #5 (8-5/8" Surface casing shoe, 593' – 0')**: Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 75 sxs cement and spot a balanced plug from 593' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 593' and the annulus from the squeeze holes to surface. Shut in well and WOC.
9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Jicarilla 464-30 #9

Current

Basin Fruitland Coal/ Cabresto Canyon; Tertiary

400' FSL & 800' FWL, Section 30, T-30-N, R-3-W, Rio Arriba County, NM

Long: _____ / Lat: _____ / API 30-039-25789

Today's Date: 3/19/13

Spud: 5/3/98

FtC Comp: 5/24/98

Nac Comp: 6/23/98

San Jose Comp: 7/01/98

Elevation: 7195' GI

7208' KB

San Jose @ Surface

12-1/4" Hole

TOC @ surface

8-5/8" 24#, J-55 Casing set @ 543'
Cement with 300 sxs, circulated 84sx to surface

San Jose Perforations:
1665' – 1672'

2-3/8" tubing at 3924' (11' KB)
(120 jts, SN, MA with rods and pump)

Nacimiento Perforations:
2754' – 3084'
Squeezed with 145 sxs
cement (11/24/05)

Nacimiento @ 2186'

Ojo Alamo @ 3340'

Kirtland @ 3561'

Fruitland @ 3773'

Pictured Cliffs @ 3855'

Fruitland Coal Perforations:
3800' – 3850'

7-7/8" Hole

5.5" 15.5#, J-55 Casing @ 4175'
Cement with 580 sxs, circulated 47 sxs to pit.

4180' TD
4032' PBTB

Jicarilla 464-30 #9

Proposed P&A

Basin Fruitland Coal/ Cabresto Canyon; Tertiary

400' FSL & 800' FWL, Section 30, T-30-N, R-3-W, Rio Arriba County, NM

Long: _____ / Lat: _____ / API 30-039-25789

Today's Date: 3/19/13

Spud: 5/3/98

FtC Comp: 5/24/98

Nac Comp: 6/23/98

San Jose Comp: 7/01/98

Elevation: 7195' GI

7208' KB

San Jose @ Surface

12-1/4" Hole

TOC @ surface

8-5/8" 24#, J-55 Casing set @ 543'
Cement with 300 sxs, circulated 84sx to surface

Plug #5: 593' – 0'
Class B cement, 75 sxs

CR @ 1615'

San Jose Perforations:
1665' – 1672'

Plug #4: 1615' – 1515'
Class B cement, 17 sxs

Nacimiento @ 2186'

Plug #3: 2236' – 2136'
Class B cement, 17 sxs

Nacimiento Perforations:
2754' – 3084'
Squeezed with 145 sxs
cement (11/24/05)

Plug #2: 3134' – 2704'
Class B cement, 55 sxs

Ojo Alamo @ 3340'

Plug #1: 3905' – 3290'
Class B cement, 88 sxs
(100% excess over perforations)

Kirtland @ 3561'

Fruitland @ 3773'

Fruitland Coal Perforations:
3800' – 3850'

Pictured Cliffs @ 3855'

7-7/8" Hole

5.5" 15.5#, J-55 Casing @ 4175'
Cement with 580 sxs, circulated 47 sxs to pit.

4180' TD
4032' PBTD

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 9 Jicarilla 464-30

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a) Place the Nacimiento plug from 2178'- 2078'.
 - b) You are required to have H2S monitoring equipment and personnel on location during plugging operations.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.