

RECEIVED

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUN 18 2013

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010Farmington Field
Office**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.***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. MDA 701-98-0013, Tract 4
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) 2080' FNL & 1820' FWL SE/NW Section 5 T29N R2W (UL: F)		8. Well Name and No. Jicarilla 29-02-05 #3
		9. API Well No. 30-039-26859
		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 recompletable 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 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 recompletable 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 reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Per the Notice of Intent dated May 2, 2013, to plug and abandon Jicarilla 29-02-05 #3, Black Hills Gas Resources is submitting the attached plug and abandon procedure.

RCVD JUN 21 '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

Regulatory Technician

Title

Signature

Date

June 18, 2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUN 20 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.

Office

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 TV

**PLUG AND ABANDONMENT PROCEDURE
Proposed P&A (Originally PB in 2007)**

May 6, 2013

Jicarilla 29-02-05 #3

East Blanco Pictured Cliffs
2080' FNL & 1820' FWL, NW, Section 5, T29N, R2W
Rio Arriba County, New Mexico, API #30-039-26859

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. Note: this well will use a basebeam. 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 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____, No X, Unknown____, Size____, Length____.
Packer: Yes____, No X, Unknown____, Type_____.

Note: Prior to spotting Plug #2, tag Plug #1 (2007). PU tubing workstring and TIH. Tag existing Plug #1 cement at 3717'(original tag in 2007) or as deep as possible. If tag is lower than 3717' then modify Plug #2 as appropriate.

4. **Plug #2 (Kirtland and Ojo Alamo tops, 3717' – 3491'):** Attempt to pressure test casing; if casing does not pressure test then spot or tag subsequent plugs as appropriate. Mix 32 sxs cement and spot a plug inside the casing above existing Plug #1 to top off the Kirtland top and cover the Ojo Alamo interval. PUH.
5. **Plug #3 (Nacimiento top, 2416' – 2316'):** Mix 17 sxs cement and spot a balanced plug inside the casing to cover the Nacimiento top. PUH.
6. **Plug #4 (8-5/8" Surface casing shoe, 321' - Surface):** 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 40 sxs cement and spot a balanced plug from 321' 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 321' and the annulus from the squeeze holes to surface. Shut in well and WOC.
7. 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 29-02-05 #3

Proposed P&A

East Blanco Pictured Cliffs

2080' FNL & 1820' FWL, NW, Section 5, T-29-N, R-2-W

Rio Arriba County, NM / API #30-039-26859

Today's Date: 5/6/13

Spud: 7/8/03

Completion: 8/21/03

Elevation: 7599' GI
7614' KB

12.25" hole

8.625" 24#, J-55 Casing set @ 271'
Cement with 155 sxs (Circulated to Surface)

Plug #4: 321' - 0'
Type III cement, 40 sxs

Plug #3: 2416' - 2316'
Type III cement, 17 sxs

Plug #2: 3717' - 3491'
Type III cement, 32 sxs

'07 Plug #1: 3937' - 3717'
Type III cement, 30 sxs:
15 sxs below CR and
15 sxs above

Set CR @ 3862'

Pictured Cliffs Perforations:
3912' - 3937'

5.5" 15.5#, K-55 Casing set @ 4057'
Cemented with 900 sxs,
Circulated 75 bbls to surface per sundry

7.875" hole

Nacimiento @ 2366'

Ojo Alamo @ 3541'

Kirtland @ 3738'

Fruitland @ 3810'

Pictured Cliffs @ 3912'

TD 4060'
PBSD 4013'

Jicarilla 29-02-05 #3

Plugback 2007

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