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

AUG 28 2013

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.*Farmingington Field Office  
Bureau of Land Management  
Lease Serial No.  
MDA 701-98-0013, Tract 1**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		6. If Indian, Allottee, or Tribe Name <b>Jicarilla Apache Tribe</b>
2. Name of Operator <b>Black Hills Gas Resources, Inc.</b>		7. If Unit or C.A. Agreement Name and/or No.
3a. Address <b>3200 N 1st St, Bloomfield, NM 87413</b>	3b. Phone No. (include area code) <b>(505) 634-5104</b>	8. Well Name and No. <b>Jicarilla 29-03-12 #3</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>890' FNL &amp; 1940' FEL NW/NE Section 12 T29N R3W (UL: B)</b>		9. API Well No. <b>30-039-27485</b>
		10. Field and Pool, or Exploratory Area <b>East Blanco Pictured Cliffs</b>
		11. County or Parish, State <b>Rio Arriba County, New Mexico</b>

**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.)

Per the Notice of Intent dated May 30, 2013, to plug and abandon Jicarilla 29-03-12 #3, Black Hills Gas Resources is submitting the attached plug and abandon procedure.

Black Hills Gas Resources will be using a Close-loop system for the P&A work.

RCVD SEP 3 '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

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Original Signed: Stephen Mason

Title

Date

**AUG 29 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

## PLUG AND ABANDONMENT PROCEDURE

July 19, 2013

### Jicarilla 29-0-12 #3

East Blanco PC /Cabresto Canyon; Tertiary  
890' FNL, 1940' FEL, Section 12, T29N, R3W, Rio Arriba County, NM  
API 30-039-27485 / 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. 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.
2. Rods: Yes \_\_\_\_\_, No X, Unknown \_\_\_\_\_.  
Tubing: Yes X, No \_\_\_\_\_, Unknown \_\_\_\_\_, Size 2-3/8", Length 3497'.  
Packer: Yes X, No \_\_\_\_\_, Unknown \_\_\_\_\_, Type AS-1 10K packer.  
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

**Note: packer is probably sanded up. If unable to pull packer then will need to fish packer out.**

3. **Plug #1 (Pictured Cliffs interval, Fruitland, and Kirtland tops, 3720' – 3140')**: RIH with open ended tubing. Mix 92 sxs Class B cement (40% excess due to long plug) and spot a plug to isolated the PC, Fruitland, Kirtland and Ojo Alamo tops. PUH and WOC. TIH and tag TOC 50' higher than Kirtland top. If tag is low spot additional cement as required. TOH.
4. **Plug #2 (Ojo Alamo interval and Nacimiento top, 2884' – 2560')**: Round trip 5.5" gauge ring to 2884' or as deep as possible. TIH and set 5.5" CR or CIBP at 2884'. Pressure test tubing to 1000#. Attempt to pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 43 sxs Class B cement and spot a balanced plug inside casing above CR to isolate Ojo Alamo interval and Nacimiento top. PUH.  
*Handwritten: Ojo Alamo, 2784', Nacimiento top 2081-1981*
5. **Plug #3 (8-5/8" Surface casing shoe, 298' - 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 298' 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 298' and the annulus from the squeeze holes to surface. Shut in well and WOC.
6. 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 29-03-12 #3

## Proposed P&A

East Blanco PC/ Cabresto Canyon Tertiary

890' FNL & 1940' FEL, Section 12, T-29-N, R-3-W, Rio Arriba County, NM

Long: \_\_\_\_\_ / Lat: \_\_\_\_\_ / API 30-039-27485

Today's Date: 7/19/13

Spud: 8/1/8/03

PC Comp: 1/28/04

Ojo Alamo Comp: 1/28/04

Elevation: 7220' GI  
7235' KB

12-1/4" Hole

TOC at surface (2003 CBL)

8-5/8" 24#, J-55 Casing set @ 248'  
Cement with 180 sxs, circulated to surface

**Plug #3: 298' – 0'**  
Class B cement, 40 sxs

Nacimiento @ 2610'

**Plug #2: 2884' – 2560'**  
Class B cement, 43 sxs

Ojo Alamo @ 2890'

**Set CR @ 2884'**

Ojo Alamo Perforations:  
2934' – 3060'

Kirtland @ 3190'

**Plug #1: 3720' – 3140'**  
Class B cement, 92 sxs  
(long plug, 40% excess)

Fruitland @ 3520'

Pictured Cliffs @ 3620'

Pictured Cliffs Perforations:  
3646' – 3670'

7-7/8" Hole

5.5" 15.5#, J-55 Casing @ 3790'  
Cement with 1170 sxs to surface (CBL)

3844' TD  
3795' PBTD

# Jicarilla 29-03-12 #3

## Current

East Blanco PC/ Cabresto Canyon Tertiary

890' FNL & 1940' FEL, Section 12, T-29-N, R-3-W, Rio Arriba County, NM

Long: \_\_\_\_\_ / Lat: \_\_\_\_\_ / API 30-039-27485

Today's Date: 7/19/13

Spud: 8/1/8/03

PC Comp: 1/28/04

Ojo Alamo Comp: 1/28/04

Elevation: 7220' GI  
7235' KB

12-1/4" Hole

TOC at surface (2003 CBL)

8-5/8" 24#, J-55 Casing set @ 248'  
Cement with 180 sxs, circulated to surface

Nacimiento @ 2610'

Ojo Alamo @ 2890'

2-3/8" tubing at 3497'  
109 jts, 3 subs, W XO circ sleeve, SN, on-off tool, F  
profile, AS-1 10K pkr)

Ojo Alamo Perforations:  
2934' - 3060'

Kirtland @ 3190'

AS-1 10K packer at 3497'  
Note: Packer may be sanded up.

Fruitland @ 3520'

Pictured Cliffs Perforations:  
3646' - 3670'

Pictured Cliffs @ 3620'

7-7/8" Hole

5.5" 15.5#, J-55 Casing @ 3790'  
Cement with 1170 sxs to surface (CBL)

3844' TD  
3795' 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: 3 Jicarilla 29-03-12

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 perforations plug from 2884' – 2784'.
  - b) Place the Nacimiento top plug from 2081'- 1981'.
  - c) 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.