

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

5. Lease Serial No.

Jicarilla Contract 461

6. If Indian, Allottee or Tribe Name

Jicarilla Apache Tribe

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Black Hills Gas Resources, Inc. c/o Mike Pippin LLC (Agent)

3a. Address

3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)

505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

871' FNL & 1687' FWL Unit C

Sec. 24, T30N, R3W

8. Well Name and No.

Jicarilla 461-24 #12

9. API Well No.

30-039-29268

10. Field and Pool, or Exploratory Area

E. Blanco Pictured Cliffs
Cabresto Canyon Tertiary Ext.

AND

Rio Arriba County, New Mexico

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

| TYPE OF SUBMISSION | TYPE OF ACTION |
|---|--|
| <input type="checkbox"/> Notice of Intent | <input checked="" type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing <input checked="" 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 checked="" type="checkbox"/> Recomplete <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans <input 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 Operations (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 recomplete 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices 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.)

"This is part of the Permit Clean-up program for Black Hills"

10/23/05 MIRUSU. Tag PBDT 3912'. Ran CBL. TOC @ surface. Pressure test csg to 2500 psi - OK. Spot 200 gal 7% HCL across proposed PC perfs. Perf PC @ 3784'-96', 3770'-78', 3724'-33' w/2 - 0.41" SPF. Total 38 holes. Broke each set of perfs w/acid. Fraced PC w/91.060# sand in 75Q foam. Tested PC stabilized on 1/2" choke for 1-1/2 hrs on 11/4/05 @ 25 psi for 250 MCF/D. Set RBP @ 3500'.

Perf Tertiary @ 3190'-3202', 3375'-82' w/4 - 0.41" SPF. Total 76 holes. Broke down lower set of Tertiary perfs w/300 gal 7-1/2% HCL acid & upper perfs w/500 gal. Move RBP from 3500' to 1400'. Perf Tertiary @ 1167'-76', 1204'-12', 1238'-44' w/4 - 0.41" SPF. Total 96 holes. Breakdown Tertiary perfs w/750 gal acid & balls. Tested Tertiary on 11/11/05 stabilized on 3/8" choke for 4 hrs @ 35 - 40 psi for 180 MCF/D.

Release RBP @ 1400' & TOH. Set CIBP @ 3500'. Set CIBP @ 2500'. Land 2-3/8" 4.7# J-55 tbg @ 1212' w/"R" nipple @ 1179'. Complete as a single Tertiary gas well. Release rig 11/13/05.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Mike Pippin

Title

Petr. Engr. (Agent)

Signature

Mike Pippin

Date

June 26, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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, makes 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 reverse)

JUN 30 2006

NMOC

FARMINGTON FIELD OFFICE