

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

2006 AUG 31 PM 2 36

RECEIVED

070 FARMINGTON NM

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)

SURFACE: 2050' FNL & 630' FEL (H) Sec 11 T29N R3W

BOTTOM HOLE: 887' FNL & 1497' FWL (D) Sec. 11, T29N, R3W
701 73340

5. Lease Serial No.

MDA 701-98-0013 Tract 1

6. If Indian, Allottee or Tribe Name

Jicarilla Apache Tribe

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

8. Well Name and No.

Jicarilla 29-03-11 #2

9. API Well No.

30-039-26731

10. Field and Pool, or Exploratory Area

East Blanco Pictured Cliffs

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
☐ Notice of Intent	☐ Acidize
☒ Subsequent Report	☐ Deepen
☐ Final Abandonment Notice	☐ Fracture Treat
	☐ Production (Start/Resume)
	☐ Reclamation
	☐ Water Shut-Off
	☐ Well Integrity
	☒ Other Drill 2nd PC
	horizontal lateral
	☐ Recombine
	☐ Temporarily Abandon
	☐ Water Disposal
	☐ Plug and Abandon
	☐ Plug Back
	☐ Convert to Injection

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"

9/3/05. MIRU Drilling rig. Kick off 2nd horizontal PC lateral @ 3900'. Drill horizontal PC 4-3/4" hole to MD 7910'. Released drilling rig 9/12/05. Bottom hole location: 887' FNL & 1497' FWL, Sec. 11 T29N R3W. (Note: Section is 572' wide).
701 73340

10/8/05. MIRUSU. TIH with 2-7/8" to 7900'. TOH. Set 5-1/2" RBP @ 3200'. Pressure test 5-1/2" casing to 600 psi - OK. Retrieve RBP & TOH. Ran 2-7/8" 8.7# PH-6 pipe with 8 pre-perfed joints. Land 2-7/8" production liner @ 7890' with on/off tool @ 3535'. Land 2-3/8" tubing in on/off tool @ 3535'. Swab well. Released rig 10/22/05.

4/1/06. MIRUSU. TOH with 2-3/8" tubing. Cut 2-7/8" production liner @ 3720' and TOH. TIH with fishing tools and tag whipstock in vertical section of hole @ 3702'. Released whipstock in vertical section of hole and TOH. Drill out CIBP @ 3708' in vertical section of well. Clean out to vertical PBTB 3968'. Land 2-7/8" tubing @ 3818'. Ran pump and rods. Released rig 4/11/06.

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

Name (Printed/Typed)

Mike Pippin

Title

Petroleum Engineer (Agent)

Signature

Mike Pippin

Date

August 31, 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

ACCEPTED FOR RECORD

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.

SEP 22 2006

(Instructions on reverse)

FARMINGTON FIELD OFFICE
BY *[Signature]*

FARMINGTON

N.M. O&G



1724-B Townhurst Dr, Houston, Tx 77043
(713) 827-8302
www.nevisenergy.com

Job Number: 204-264

Company: Black Hills E & P / Mallon Oil

Lease/Well: Jicarilla 29-03-11 # 2

Location: Rio Arriba Co., NM

Rig Name: Longhorn # 1

RKB:

G.L. or M.S.L.:

State/Country: New Mexico

Declination: 10.60336

Grid: -0.36

File name: N:\BLACKH-1\2005\5-264J-1\29-03-11.SVY

Date/Time: 28-Apr-06 / 11:24

Curve Name: Final NMOCD Filling

2ND LATERAL

WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 289.21
Vertical Section Referenced to Wellhead
Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE Distance FT	Direction Deg	Dogleg Severity Deg/100
Tie in w/ Actual Survey									
3900.00	96.70	309.50	3804.98	155.58	124.63	-121.33	173.93	315.77	.00
Fisrt Nevis MWD Survey									
3932.00	93.10	310.00	3802.25	185.43	145.01	-145.84	205.66	314.84	11.36
3963.00	94.20	310.90	3800.27	214.26	165.08	-169.38	236.52	314.26	4.58
3995.00	90.00	310.90	3799.10	243.97	186.02	-193.54	268.44	313.86	13.12
4026.00	89.90	310.90	3799.13	272.78	206.31	-216.98	299.41	313.56	.32
4057.00	86.80	308.70	3800.02	301.78	226.14	-240.78	330.33	313.21	12.26
4118.00	90.10	307.10	3801.67	359.53	263.60	-288.89	391.07	312.38	6.01
4181.00	92.30	303.80	3800.35	419.99	300.12	-340.19	453.65	311.42	6.29
4244.00	92.90	300.30	3797.49	481.34	333.51	-393.52	515.84	310.28	5.63
4307.00	93.60	296.60	3793.92	543.42	363.47	-448.81	577.53	309.00	5.97
4370.00	91.30	292.30	3791.22	606.08	389.51	-506.09	638.63	307.58	7.73
4401.00	91.10	292.40	3790.57	637.02	401.30	-534.76	668.59	306.89	.72
4432.00	90.80	292.00	3790.06	667.98	413.01	-563.46	698.61	306.24	1.61
4496.00	91.00	290.30	3789.06	731.93	436.10	-623.14	760.58	304.99	2.67
4559.00	89.80	288.20	3788.62	794.92	456.87	-682.61	821.39	303.79	3.84
4622.00	90.90	286.80	3788.23	857.89	475.81	-742.69	882.03	302.65	2.83
4685.00	91.00	286.60	3787.19	920.82	493.91	-803.02	942.76	301.59	.35
4747.00	90.30	286.10	3786.48	982.74	511.36	-862.51	1002.71	300.66	1.39
4810.00	90.10	287.80	3786.26	1045.69	529.73	-922.77	1064.01	299.86	2.72
4874.00	89.90	287.90	3786.26	1109.67	549.35	-983.69	1126.69	299.18	.35
4936.00	91.10	286.70	3785.72	1171.63	567.78	-1042.88	1187.43	298.57	2.74

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
5000.00	90.20	287.90	3785.00	1235.59	586.81	-1103.98	1250.25	297.99	2.34
5063.00	88.10	288.90	3785.93	1298.57	606.70	-1163.75	1312.40	297.53	3.69
5125.00	88.50	288.10	3787.77	1360.54	626.36	-1222.52	1373.64	297.13	1.44
5188.00	90.30	286.70	3788.43	1423.50	645.20	-1282.63	1435.76	296.70	3.62
5250.00	90.70	285.60	3787.89	1485.41	662.44	-1342.18	1496.75	296.27	1.89
5312.00	90.90	285.00	3787.02	1547.26	678.80	-1401.97	1557.66	295.84	1.02
5375.00	90.50	285.40	3786.25	1610.10	695.32	-1462.77	1619.61	295.42	.90
5438.00	89.80	285.20	3786.09	1672.95	711.94	-1523.53	1681.67	295.05	1.16
5501.00	88.70	285.10	3786.91	1735.79	728.40	-1584.34	1743.76	294.69	1.75
5564.00	88.90	285.00	3788.23	1798.61	744.76	-1645.16	1805.89	294.36	.35
5626.00	89.30	281.80	3789.21	1860.27	759.12	-1705.46	1866.78	293.99	5.20
5689.00	90.00	283.60	3789.59	1922.86	772.97	-1766.91	1928.59	293.63	3.07
5752.00	87.60	282.80	3790.91	1985.50	787.36	-1828.23	1990.57	293.30	4.02
5856.00	89.30	281.80	3793.72	2088.70	809.50	-1929.80	2092.71	292.76	1.90
5919.00	92.50	282.30	3792.73	2151.19	822.65	-1991.40	2154.63	292.45	5.14
5981.00	93.00	282.80	3789.76	2212.70	836.11	-2051.85	2215.66	292.17	1.14
6043.00	93.20	281.00	3786.41	2274.11	848.87	-2112.42	2276.60	291.89	2.92
6106.00	93.30	280.40	3782.83	2336.31	860.55	-2174.23	2338.33	291.59	.96
6169.00	93.10	280.80	3779.32	2398.50	872.12	-2236.06	2400.11	291.31	.71
6200.00	92.80	281.00	3777.72	2429.14	877.97	-2266.46	2430.57	291.18	1.16
6232.00	91.70	281.90	3776.47	2460.82	884.32	-2297.79	2462.09	291.05	4.44
6294.00	91.60	282.30	3774.68	2522.32	897.31	-2358.39	2523.33	290.83	.66
6357.00	90.50	281.90	3773.53	2584.82	910.52	-2419.98	2585.60	290.62	1.86
6420.00	90.20	283.10	3773.14	2647.39	924.15	-2481.48	2647.98	290.43	1.96
6483.00	89.70	284.40	3773.20	2710.10	939.13	-2542.68	2710.57	290.27	2.21
6546.00	89.00	284.80	3773.91	2772.89	955.00	-2603.64	2773.26	290.14	1.28
6609.00	88.50	285.30	3775.29	2835.71	971.36	-2664.46	2836.00	290.03	1.12
6672.00	89.60	286.30	3776.33	2898.59	988.51	-2725.07	2898.82	289.94	2.36
6735.00	89.30	285.60	3776.93	2961.48	1005.82	-2785.64	2961.67	289.85	1.21
6798.00	90.30	286.40	3777.15	3024.38	1023.19	-2846.20	3024.53	289.77	2.03
6861.00	90.30	286.80	3776.82	3087.32	1041.18	-2906.58	3087.43	289.71	.63
6924.00	89.00	286.50	3777.21	3150.25	1059.23	-2966.93	3150.34	289.65	2.12
7018.00	90.90	287.50	3777.29	3244.18	1086.72	-3056.82	3244.24	289.57	2.28
7050.00	90.90	287.50	3776.79	3276.16	1096.34	-3087.33	3276.22	289.55	.00
7112.00	90.40	287.20	3776.09	3338.12	1114.83	-3146.51	3338.17	289.51	.94
7174.00	92.20	288.20	3774.68	3400.08	1133.67	-3205.56	3400.12	289.48	3.32
7237.00	91.80	288.40	3772.48	3463.03	1153.44	-3265.33	3463.06	289.46	.71
7299.00	90.60	287.70	3771.18	3525.01	1172.64	-3324.27	3525.03	289.43	2.24
7362.00	91.20	288.90	3770.19	3587.99	1192.42	-3384.07	3588.01	289.41	2.13
7425.00	90.90	287.50	3769.04	3650.97	1212.10	-3443.91	3650.98	289.39	2.27
7488.00	90.50	286.60	3768.27	3713.92	1230.57	-3504.13	3713.93	289.35	1.56
7551.00	90.70	286.80	3767.61	3776.85	1248.67	-3564.47	3776.86	289.31	.45
7614.00	91.50	286.90	3766.40	3839.79	1266.93	-3624.76	3839.79	289.27	1.28
7677.00	91.30	285.40	3764.86	3902.68	1284.45	-3685.25	3902.68	289.22	2.40
7708.00	90.80	285.80	3764.29	3933.61	1292.78	-3715.10	3933.61	289.19	2.07

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
7739.00	90.70	285.80	3763.89	3964.55	1301.22	-3744.93	3964.55	289.16	.32
7771.00	90.50	286.50	3763.55	3996.50	1310.12	-3775.67	3996.51	289.14	2.27
7802.00	90.40	286.20	3763.31	4027.46	1318.85	-3805.41	4027.47	289.11	1.02
7834.00	90.60	286.60	3763.03	4059.42	1327.88	-3836.11	4059.43	289.09	1.40
Last Nevis MWD Survey									
7865.00	90.70	286.20	3762.68	4090.39	1336.63	-3865.85	4090.40	289.07	1.33
Survey Projected to TD									
7910.00	90.70	286.20	3762.13	4135.32	1349.19	-3909.06	4135.34	289.04	.00

X Y

4-28-06

sur 2050 FN - 630 FE
 - 1349 5272'
 BH 701 FN - 3909
 733' FW
 40

SECOND LATERAL

section = 5272'