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Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Bureau of Land Management
Farmington Field Office

APR 25 2008

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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 reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. 701-98-0013
2. Name of Operator Black Hills Gas Resources, Inc.		6. If Indian, Allottee, or Tribe Name Jicarilla Apache Tribe
3a. Address P.O. Box 249 Bloomfield, NM 87413	3b. Phone No. (include area code) 505-634-1111	7. If Unit or CA. Agreement Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 9, T28N, R02W 1870' FNL & 1995' FEL Unit G		8. Well Name and No. Jicarilla 28-02-09 #23
		9. API Well No. 30-039-29319
		10. Field and Pool, or Exploratory Area Basin FRTC/Burro Can Tertiary
		11. County or Parish, State Rio Arriba, NM

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	

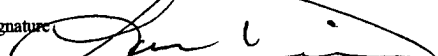
13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. 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.)

Black Hills Gas Resources intends to plug and abandon this well as per the attached procedure dated Mar 24, 2008. The Jicarilla Apache Nation Department of Water Administration was notified Feb 5, 2008 of the P&A intent and have not requested that this well be kept for use as a water well.

RCVD APR 30 '08

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct.	
Name (Printed/ Typed) Loren Diede	Title Consultant (Agent)
Signature 	Date 24-Apr-08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title Office	Date APR 29 2008
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)

NMOC

PLUG AND ABANDONMENT PROCEDURE

March 24, 2008

Jicarilla 28-02-09 #23

Basin Fruitland Coal / Burro Canyon Tertiary
1870' FNL & 1995' FEL, NE, Section 9, T28N, R2W
Rio Arriba County, New Mexico, API #30-039-29319

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures.
All cement will be ASTM Type G, mixed at 15.8 ppg with a 1.15 cf/sx yield.

1. Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM, and Black Hills safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line and blow down well; kill with water as necessary. ND wellhead and NU BOP. Test BOP.
2. PU on tubing and release packer at 3594'. TOH and tally 2.375" tubing and LD packer, total 3594'. If necessary, LD tubing and PU workstring.
3. **Plug #1 (Pictured Cliffs, Fruitland coal perforations, Fruitland, Kirtland and Ojo Alamo tops, 3594' – 3207')**: RIH and set 5.5" cement retainer at 3594'. Pressure test tubing to 1000 PSI. Mix 51 sxs Type G cement and spot a plug inside the casing above CR to isolate the Pictured Cliffs top, Fruitland Coal interval, Fruitland, Kirtland and Ojo Alamo tops. TOH with tubing.
4. **Plug #2 (Nacimiento perforations, 3024' – 2924')**: RIH and set 5.5" cement retainer at 3024'. Mix 18 sxs Type G cement and spot a plug inside the casing above CR to isolate the Nacimiento perforations. PUH to 2238'.
5. **Plug #3 (Nacimiento top, ²²⁷³2238' – ²¹⁷³2138')**: Spot 18 sxs Type G cement inside the casing above to cover the Nacimiento top. TOH with tubing.
6. **Plug #4 (San Jose perforations, 1296' – 1196')**: RIH and set cement retainer at 1296'. *Attempt to pressure test casing to 800 PSI. If casing does not test then spot or tag this plug and subsequent plug as appropriate.* Mix 18 sxs Type G cement and spot a balanced plug inside casing to isolate San Jose perforations. TOH and LD tubing.
7. **Plug #5 (8.625" casing shoe and surface, 326' - Surface)**: Attempt to pressure test the bradenhead annulus to 300#. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 45 sxs Type III cement and spot a balanced plug from 326' 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 and the annulus.
8. 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 28-02-09 #23

Current

Basin Fruitland Coal / Burro Canyon Tertiary

1870' FNL & 1995' FEL, NE, Section 9, T-28-N, R-2-W

Rio Arriba County, NM / API #30-039-29319

Today's Date: 3/24/08

Spud: 1/24/05

Completed: 3/05/05

Elevation: 7331' GI
7343' KB

San Jose @ 13'

Nacimiento @ 2188'

Ojo Alamo @ 3257'

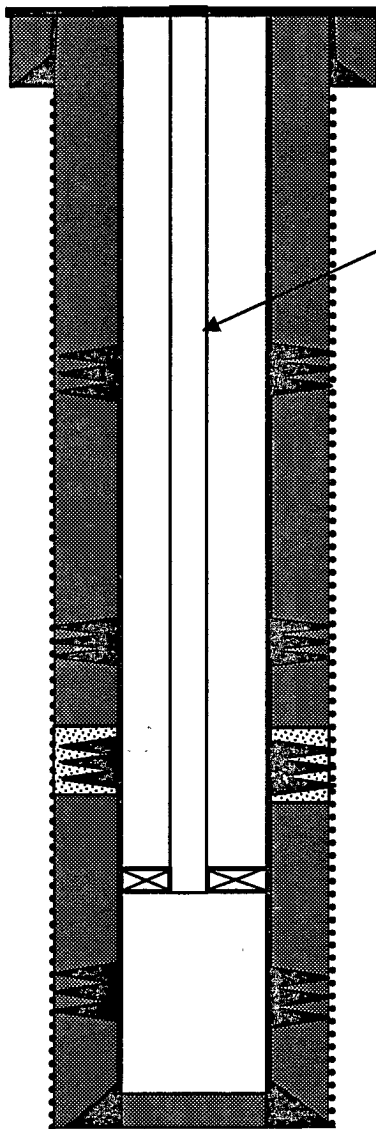
Kirtland @ 3586'

Fruitland @ 3640'

Pictured Cliffs @ 3694'

12.25" hole

7.875" hole



TOC @ surface (CBL 2005)

8.625" 24#, J-55 Casing set @ 276'
Cement with 275 sxs (Circulated to Surface)

2.375" tubing at 3594'
(4.7#, J-55, packer @ 3594' w/L-10
on/off tool above packer)

San Jose Perforations:
1346' - 1350'

Nacimiento Perforations:
3074' - 3195'

Ojo Alamo Perforations:
3268' - 3551', sqz w/125 sxs
cement during completion

Packer with L-10
on/off tool at 3594'

Fruitland Coal Perforations:
3644' - 3680'

5.5" 15.5#, Casing set @ 3861'
Cemented with 680 sxs
Circ 20 bbls to surface

TD 3875'
PBD 3836'

Jicarilla 28-02-09 #23

Proposed P&A

Basin Fruitland Coal / Burro Canyon Tertiary

1870' FNL & 1995' FEL, NE, Section 9, T-28-N, R-2-W

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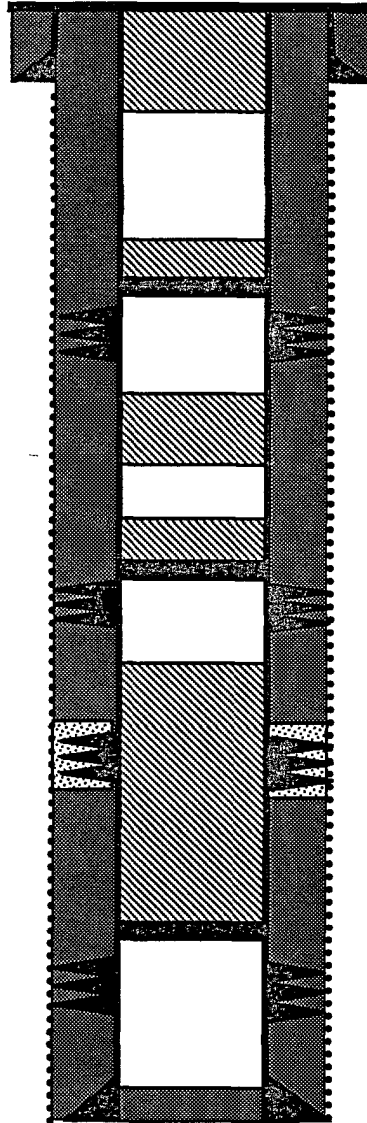
Kirtland @ 3586'

Fruitland @ 3640'

Pictured Cliffs @ 3694'

12.25" hole

7.875" hole



TD 3875'
PBD 3836'

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 23 Jicarilla 28-02-09

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) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Place the Nacimiento plug from 2273' – 2173'.

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.