

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

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

AUG 11 2008

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.

5. Lease Serial No.	NM18327
6. BLM Indian, Allottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No	OIL CONS. DIV. DIST. 3
8. Well Name and No.	Many Canyons 29-04-28 #121
9. API Well No.	30-039-30231
10. Field and Pool, or Exploratory Area	Gobernador Pictured Cliffs AND Rio Arriba County, New Mexico

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	
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) 1895' FNL & 670' FWL Unit E Sec. 28, T29N, R04W	

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 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 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 checked="" type="checkbox"/> Other Upper PC Lateral
	<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 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 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 recompleat 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.)

7/26/08: Set Whipstock tool on RBP @ MD4679'. Milled upper PC lateral window in 7" csg @ MD4665'-4673'. Drilled 6-1/8" upper PC lateral hole to MDTD8069' on 8/4/08. On 8/6/08, landed 4-1/2" 11.6# J-55 liner w/bladed guide shoe on bottom @ MD7897' w/H latch tool @ MD4679'. Liner has 9 preperfed & plugged joints w/tops @ MD7813', 7397', 7006', 6585', 6207', 5828', 5450', 5071', & 4693'. Each preperfed liner joint has 28-0.75" holes. Milled out all plugs in 4-1/2" liner. Fished whipstock tool & TOH. Retrieved RBP @ MD4679' & TOH. Set 7" RBP w/pressure bombs below in lower lateral @ MD4750'. Released drilling rig on 8/10/08. Waiting on completion rig.

Submit Navis survey For upper lateral

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Mike Pippin	Title Petroleum Engineer (Agent)
Signature <i>Mike Pippin</i>	Date August 11, 2008

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)

NMOCD

