



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington District Office  
6251 College Blvd. - Suite A  
Farmington, New Mexico 87402  
[www.blm.gov/nm](http://www.blm.gov/nm)



In Reply Refer To:

3105 (NMF0110)

APD-Many Canyons 30-04-14 #24H

October 16, 2015

Black Hills Gas Resources, Inc.  
P.O. Box 249  
Bloomfield, NM 87413

Dear Sir or Madam:

Reference is made to your Application for Permit to Drill (APD) well, Many Canyons 30-04-14 #24H, API #3003930046, located 1900' FNL & 900' FEL, Section 14, T. 30 N., R. 4 W., Rio Arriba County, New Mexico.

In view of the foregoing, this office has withdrawn this APD. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at this well site. Please file the letter within 30 days of receipt of this notice.

Any surface disturbance conducted must be rehabilitated in accordance with the standards and guidelines established by this office. Please contact Michael Flaniken, Environmental Protection Specialist at (505) 564-7702 or email at [mflaniken@blm.gov](mailto:mflaniken@blm.gov) for information or inspections.

Under 43 CFR 3165.3, you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Officer. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request will not result in a suspension of the instructions, orders, or decisions unless the reviewing official so determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et. Seq.

If you have any questions, contact Virginia Barber at (505) 564-7754.

Sincerely,

Virginia Barber,  
Land Law Examiner  
Petroleum Management Team

CC: Well File  
NMOCD

RECEIVED OGD  
2015 OCT 19 P 3:10

SMA:  
BOND:  
CAPA:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NOS:  
APQP:  
MP:  
SMA:  
BOND:  
CAPA:  
Surface Owner Agreement

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work



DRILL



REENTER

1b. Type of Well



Oil Well



Gas Well



Other



Single Zone



Multiple Zone

2. Name of Operator

E-mail: lbenally@bhep.com

Black Hills Gas Resources, Inc.

Contact: Lynn Benally

3a. Address

P.O. Box 249

Bloomfield

NM

87413

3b. Phone No. (include area code)

505-634-1111

4. Location of Well (Report location clearly and in accordance with any State Requirements.)

At surface

1,900' FNL

900' FEL

SE 1/4

NE 1/4

SENECA

Lat: 36° 48' 49.3"

Long: 107° 13' 05.7"

At proposed production zone

±1,900' FNL ±660' FWL (SW1/4 NW1/4)

14. Distance in miles and direction from nearest town or post office.

Well is located approximately 52 miles east of Bloomfield, New Mexico.

15. Distance from proposed location to nearest property of lease line, ft. (Also nearest Drig, unit line, if any)

Unit= n/a  
Lease= ±660'

16. No. of acres in lease

1530.69

17. Spacing Unit dedicated to this well

320-308.94 N1/2

18. Distance from proposed location to nearest well, drilling, completed or applied for, on this lease, ft.

± 2,200' Many Canyons 30-04-14 44H

19. Proposed depth

4,000' TVD

20. BLM/BIA Bond No. on file

NMB000230

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6,980' GR

22. Approximate date work will start

September 25, 2006

23. Estimated duration

45-60 days drig + completion

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations, unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

25. Signature

Kathy L. Schneebeck

Title

Permit Agent for Black Hills Gas Resources, Inc.

Name (Printed/Typed)

Kathy L. Schneebeck, 303-820-4480

Date

August 22, 2006

Approved by (Signature)

D. J. Mackey

Title

AFM

Name (Printed/Typed)

Office

FFO

Date

7/2/07

Application approval 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.

Conditions of approval, if any, are attached.

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 to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

(continued on page 2)

FARMINGTON

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Black Hills Gas Resources, Inc. P.O. Box 249 Bloomfield, NM 87413		<sup>2</sup> OGRD Number 013925
		<sup>3</sup> API Number 30 -
<sup>4</sup> Property Code	<sup>5</sup> Property Name Many Canyons 30-04-14	<sup>6</sup> Well No. 2411
<sup>7</sup> Proposed Pool 1 Pictured Cliffs		<sup>8</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
11	14	30-N	4-W		1,900'	North	900'	East	Rio Arriba

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	14	30-N	4-W		1,900'	North	1,660'	West	Rio Arriba

Additional Well Information

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code Many Canyons	<sup>15</sup> Ground Level Elevation 6,980' GR
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 4,000' TVD	<sup>18</sup> Formation Pictured Cliffs	<sup>19</sup> Contractor	<sup>20</sup> Spud Date
Depth to Groundwater: 100' or more		Distance from nearest fresh water well: 1,000' or more		Distance from nearest surface water: 1,000' or more
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 15 mils thick Clay <input type="checkbox"/> Pit Volume: 5,449 bbls Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <input type="checkbox"/>				

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	J-55 24# ST&C	0' - 250' TVD	To surface (±175 sxs Standard Cement containing 2% CaCl <sub>2</sub> and 0.25 lb/sx LCM)	Surface
7-7/8"	5-1/2"	J-55 15.5# LT&C New	0' - 4,000' TVD	TD to surface (Lead: ±300 sxs Lite Standard Cement. Tail: ±400 sxs 50:50 POZ containing 0.25 lb/sx LCM)	Surface
4-3/4"	2-7/8"	PH-6 (Liner)	3,735' (KOP) - End of Lateral Bore	None	

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

This is a new vertical and horizontal well to be drilled into the Pictured Cliffs Formation. See the attached Horizontal Drilling Program and Surface Use Plan.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature: *Kathy L. Schneebeck*

Printed name: Kathy L. Schneebeck

Title: Permit Agent for Black Hills Gas Resources, Inc.

E-mail Address: kathys@banko1.com

Date: August 22, 2006

Phone: 303-820-4480

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached ☐

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Many Canyons 30-04-14

8. Well Number

2411

9. OGRID Number

013925

10. Pool name or Wildcat

Pictured Cliffs

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other:

2. Name of Operator

Black Hills Gas Resources, Inc.

3. Address of Operator

P.O. Box 249 Bloomfield, NM 87413

4. Well Location

Unit Letter: H : 1,900 feet from the North line and 900 feet from the East line

Section: 14 Township 30N Range 4W NMPM County: Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

6980'

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type: Drilling Pit Depth to Groundwater > 100 Distance from nearest fresh water well > 1000 Distance from nearest surface water > 200

Pit Liner Thickness: 15 mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

13. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Pit Registration



SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Drilling Pit Registration

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Kathy L. Schneebeck TITLE: Permit Agent for Black Hills Gas Resources, Inc. DATE: August 22, 2006

Type or print name: Kathy L. Schneebeck E-mail address: kathys@banko1.com Telephone No. 303-820-4480

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_

DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II  
1301 W. Grand Ave., Artesia, N.M. 80410

DISTRICT III  
1000 Rio Puerco Rd., Aztec, N.M. 87410

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM-87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name Pictured Cliffs		
4 Property Code		5 Property Name MANY CANYONS 30-04-14			6 Well Number 24H	
7 OGRID No. 013925		8 Operator Name BLACK HILLS GAS RESOURCES			9 Elevation 6980'	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	14	30-N	4-W		1900	NORTH	900	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	14	30-N	4-W		1900	NORTH	660	WEST	RIO ARriba

12 Dedicated Acres 308.94 320 acres - N/2		13 Joint or Infill		14 Consolidation Code		15 Order No.	
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16		QTR. CORNER FD. 3 1/4" B.C. B.L.M. 1953		S 89°57'58" W 2636.44' (M) LOT 2 4.0		SEC. CORNER FD. 3 1/4" B.C. B.L.M. 1953		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
LOT 4 A.23		H.E.S. 368		LOT 3 27.95		LOT 1 2.44		Signature <i>Kathy L. Schneebeck</i> Kathy L. Schneebeck Printed Name Permit Agent for Black Hills Title Date August 22, 2006	
46 40		LAT. 36°48'49.3" N (NAD 83) LONG. -107°13'05.7" W (NAD 83)		LOT 5 39.38		LOT 6 38.82		18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief	
B.H.L. PC		14		QTR. CORNER FD. 3 1/4" B.C. B.L.M. 1953		LOT 8		Date of Survey Signature of Registered Professional Surveyor 14831 Certificate Number	
						LOT 10			