

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004**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

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Mallon Oil Company an wholly-owned subsidiary of Black Hills E & P

3a. Address

350 Indiana St., #400, Golden, CO 80401

3b. Phone No. (include area code)

720-210-1300

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

1850' FSL and 1450' FWL (NESW) Unit K

5. Lease Serial No.

Jic 464

6. If Indian, Allottee or Tribe Name

Jicarilla Apache Tribe

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

N/A

8. Well Name and No.

Jicarilla 464 #8

9. API Well No.

30-039-24253

10. Field and Pool, or Exploratory Area

East Blanco; Pictured Cliffs

11. County or Parish, State

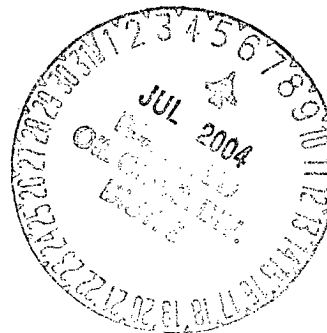
Rio Arriba, NM

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 <u>cement squeeze</u>
	<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	

3. 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 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.)

Mallon Oil Company, an indirect wholly-owned subsidiary of Black Hills Exploration, Inc has cement squeezed the Ojo Alamo formation of the Cabresto Canyon pool. Procedures of the cement squeeze are attached.

04 MAY 10 AM 11:59
016 ALBUQUERQUE, N.M.14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Allison Newcomb

Title Engineering Technician

Signature

Allison Newcomb

Date 5/7/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

/s/ David R. Sitzler

Name
(Printed/Typed)

Division of Multi-Resources

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

Date JUL 1 2004

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 next page)

Jicarilla 464 No. 8
1850' FSL and 1450' FWL, Unit K
NESW Sec. 29-T030N-R003W
Rio Arriba County, NM

East Blanco Field
GL Elev: 7197'
KB Elev: 7209'

08/21/2003 OA 3,256'-3,308'.

Present Operation: MIRU Triple P rig #7.

MIRU Triple "P" Rig #7. Bleed well off. P/ 10 bbls KCl water dn casing & P/ 10 bbls KCL wtr dn tubing to keep well dead. Nipple dn wellhead & nipple up BOPE. Release packer & TOH w/ 2-3/8" production tubing. Visually inspected tubing, appeared ok, so stood back in derrick. Laid dn last 5 jts. as they were pitted. Broke out seat nipple & recovered plunger & bumper spring. No packer in the hole last jt. of tubing had notched collar on end. Shut dn for night.

Day #2 DC: \$3,526 CC: \$4,577

08/22/2003 OA 3,256'-3,308'.

Present Operation: MIRU Triple P rig #7.

Start rig up. TIH w/ bit, scraper & 2-3/8" tubing work string. Reached perfs 10' in on 101st jt., encountered hard scale. Pickup swivel & ream dn to 3,370' on hard fill. TOH & lay dn bit, scraper & stand back 2-3/8" work string, bit & scraper plugged w/ sand. Pickup baker packer & TIH, set packer @ 3,107'. RU cementers for Ojo squeeze. P/ 12 bbls dn backside pressure up to 500#, would not hold, fluid level dropped 100'. No communication thru braiden head. Established injection rate into perfs (2.5 bbls/min), pumped 49 bbls 14.5 ppg cement (200 sacks), shut dn wash pumps & lines w/ 10 bbls H2O. Start displacement. Displace w/ 13.5 bbls, (12 bbls tbg volume & 1.5 bbl below packer). Bleed of pressure, stabilized @ 400 psi, shut in w/ 400# on cement squeeze.

Day #3 DC: \$12,081 CC: \$16,658

08/23/2003 3,256'-3,308' OA.

Present Operation: MIRU Triple P rig #7.

No pressure on tbg. or annulus, Packer @ 3,107' 48 stds. in. Test tbg to 500 psi., 10 min.-ok. Took 8 bbls to fill annulus no test, P/ 1/2 bbl/min @ 350#, bleeds to 1003 in one min. Begin testing for holes, 38 stds in 2,459' to top of squeeze, test to 500 psi. held. From 2,330'-2,459' no communication, but no test bleeds to 100 psi. From 2,071'-2,330' annulus & tubing communicate. From 750'-1,812' testing in several spots results were all the same w/ slow leak off 100#/min., suspect same hole. From 750' to surface tested ok. Will run casing integrity test on Monday.

Day #4 DC: \$4,144 CC: \$20,802

08/26/2003 3,256'-3,308' OA.

Present Operation: MIRU Triple P rig #7.

RU Blue Jet Loggers to run casing integrity log. Log indentified three holes @ 2,481', 2,225' & 1,884' all holes were in collars. Will squeeze cement w/ two balanced plugs, 2,500' & 1,800' to 2,000'.

Day #5 DC: \$6,452 CC: \$27,254

08/28/2003 3256'-3308' OA.

Present Operation:

Start rig up. Prepare to tag cement & tbg was stuck. Pull 20K over no movement. MIRU Wireline Specialties to freepoint. RIH w/ freepoint, pipe free @ 1307'. TOH w/ freepoint & TIH w/ chemical cutter & cut off tbg @ 1306', 7' above collar. TOH w/ wireline & rig dn. TOH w/ tbg & stand back same. Shut dn & wait on fishing hand who will be on location @ 7:00 am Thursday.

Day #6 DC: \$6,703 CC: \$33,957

08/29/2003 3256'-3308' OA.

Present Operation: Wash over tbg.

PU fishing tool, overshot, jars, drl collar, bumper sub & 2-3/8" work string attempt to latch onto fish. Unable to get onto fish, TOH to check grapple, grapple ok, fish laying up along side casing unable to get over. PU wash over pipe & TIH to wash over tbg. Washed down to 1450' pipe free. TOH & lay dn wash over pipe, & will trip in w/ overshot tomorrow. SIFN.

Day #7 DC: \$11,047 CC: \$45,004

08/30/2003 3256'-3308' OA.

Present Operation:

st rig up. TIH w/ overshot jars, bumper sub & 2-3/8" work string to catch fish. Set dn on fish got a good bite. TOH w/ fish & lay dn same. RD Weatherford & load out tools. TIH w/ bit, drill collars, & work string, tag cement @ 1631'. Pressure test to 300 psi. One minute- 290 psi

Three minutes- 290 psi

Five minutes- 290 psi

Ten minutes- 290 psi

Fifteenth min.- 260 psi

Begin drilling cement @ 1631', cement hard w/ some soft spots, drill to 1729'. Shut dn for night.

Day #8 DC: \$4,299 CC: \$49,303

09/03/2003 3256'-3308' OA.

Present Operation:

st rig up. Drill cement from 1729' to 1880', dropped thru 8' to 1888'. Tag up again & drill four feet to 1892', press test to 300 psi. 1 min.=260#, 2 min.=220#, 3 min.=160#. Still have hole @ 1884'. Set a balanced cement plug from 1886' to 1586'. P/ 5 bbls H2O spacer, followed by 6 bbls of cement, flush lines, & displ tbg

w/ 5 bbls. Pull seven stands to 1412', reverse circulate 10 bbls to clean up pipe, pressure up on pg w/ 300#. SDFN.
Day #9 DC: \$8,034 CC: \$57,337

09/04/2003 3256'-3308' OA.

Present Operation:

st rig up. TOH w/ 2-3/8" work string. PU bit, bit sub, dc's & 2-3/8" work string, TIH tag cement @ 1602. Press. test to 300 psi-15 min/held. PU swivel & drl cem from 1602' to 1894', circulate clean & press test to 300 psi-15 min/held. SDFN.
Day #10 DC: \$2,999 CC: \$60,336

09/05/2003 3256'-3308' OA.

Present Operation:

st rig up. Drl out cem from 1894' to 2013', dropped thru, tagged up @ 2050'. Drl from 2050' to 2080' on soft cem. Tagged hard cem @ 2080', drld 8' to 2088' stop to press test. Press tested to 300# for 15 min/held. drl out cem from 2088' to 2153'. TOH to check bit, SDFN.
Day #11 DC: \$3,302 CC: \$63,638

09/06/2003 3256'-3308' OA.

Present Operation:

st rig up. Finish TOH to check bit, bit ok. TIH & drl cem from 2153' to 2274'. Circulate hole clean @ 2274' to test squeeze over hole @ 2225', would not test. 300# to 200# one min., 200# to 140# two mins., 140# to 80# three mins. Decided to drl ahead, drl cem from 2274' to 2343'. SDFN. Will set balanced cem pg on Mon. Sept. 8th from 2320' to 2020', 300 foot pg.
Day #12 DC: \$3,297 CC: \$66,935

09/09/2003 2356'-3308' OA.

Present Operation: Wait on cem.

CP: Vac. TIH open ended w/ 72 jts. 2 3/8" tbq. EOT @ 2320' KB. MIRU BJ Cem. Svc. safety meeting. Press. test lines to 1500 psi. Load hole w/ 11 bw. Establish circulation. Mix & P/ 21 sx Type III neat cem. @ 140 psi & 2 bpm. Wash up lines to pit. Displ tbq w/ 6 bw to balance pg. TOH slowly w/ 14 jts 2 3/8" tbq. EOT: 1868' KB. (58 jts) Reverse circulate w/ 25 bw. Rec. .5 bbl cem. to pit. Clean returns. P/ .5 bw & press up on cem pg to 330 psi. 20 min: 80 psi. Press up to 350 psi. SI well @ 10:30am. RD BJ. SDFD.
Day #13 DC: \$6,426 CC: \$73,361

09/10/2003 3256'-3308' OA.

Present Operation: Drl out cem.

TIH to tag cem, tagged up @ 2091'. TOH to PU bit, bit sub, DC's & 2 3/8" work string. TIH to 2091', press. test cem pg to 300 psi. -15 min./held. Drl cem from 2091' to 2245', good cem. Press. test hole @ 2225' to 300 psi.- 15 min./held. Drl cem from 2245' to 2331', fell thru to 2343'. Drl cem from 2343' to 2371', press. test to 300 psi. -15 min./held. SDFN.
Day #14 DC: \$3,105 CC: \$76,466

09/11/2003 3256'-3308' OA.

Present Operation: Drl out OA cem squeeze.

st up rig. Drl cem from 2371' to 2506', stop to press. test (hole @ 2481'), test to 300 psi. -15 mins. held. Drl from 2506' to 2551', fell out of cem. TIH to 3151' tagged cem, PU swivel & begin drl out cem squeeze over OA perms. Drl from 3151' to 3261'. SDFN.
Day #15 DC: \$3,302 CC: \$79,768

09/12/2003 3256'-3308' OA.

Present Operation: Preparing to drl out CIBP.

st rig up. Drl cem from 3261' to 3344', fall out of cem (36' below bottom OA perf). Tag fill @ 3371', circulate out fill from 3371' to 3669', mostly frac sand. Stop 21' above CIBP to clean rig tank & roll hole w/ clean KCL wtr. SDFN.
Day #16 DC: \$4,218 CC: \$83,986

(WORKOVER)

09/13/2003

PC 3778'-3802', 3805'-3821', 3829'-3840', 3842'-3851'
3962'-3966', 4016'-4013', 4018'-4022', 4025'-4029', 4037'-4043'

Present Operation: Run 2 3/8" tbg & return to production.

st rig up. Tag CIBP @ 3690', drl out same. Push pg dn to 4095', some 52' below bottom perf., TOH laying dn 2 3/8" work string & 3 1/8" DC's on float. TIH w/ 2 3/8" production tbg. Ran as follows: notched collar, 1 jt. 2 3/8" tbg, SN & 120 jts. 2 3/8" tbg landed @ 3771.86 KB.

TURN WELL OVER TO PRODUCTION

csg press= 240 psi.

tbg press= 660 psi.

Day #17 DC: \$5,097 CC: \$89,083

Final Report

(OPERATION: ?)

09/14/2003 Current Flow Rate: 122

wtr= 0

Mcf= 199

CP= 730

LP= 30

SP= 720