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Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 01 2013

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

Farmington Field

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 page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. 99Jic Contract 459
2. Name of Operator Black Hills Gas Resources, Inc.		6. If Indian, Allottee, or Tribe Name Jicarilla Apache Tribe
3a. Address 3200 N 1st St, Bloomfield, NM 87413	3b. Phone No. (include area code) (505) 634-5104	7. If Unit or CA. Agreement Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1850' FNL & 2510' FEL SW/NE Section 17 T30N R3W (UL: G)		8. Well Name and No. Jicarilla 459-17 #9
		9. API Well No. 30-039-25763
		10. Field and Pool, or Exploratory Area Cabresto Cnyn Tert. & E. Blanco PC
		11. County or Parish, State Rio Arriba County, New Mexico

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 of all pertinent markers and zones. 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.)

Per the Notice of Intent dated February 21, 2013, to plug and abandon Jicarilla 459-17 #9, Black Hills Gas Resources is submitting the attached plug and abandon procedure.

RCVD MAY 9 '13

OIL CONS. DIV.
DIST. 3

Submit CBL to agencies for review prior to cementing

Notify NMOCD 24 hrs
prior to beginning
operations

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

Daniel Manus

Regulatory Technician

Title

Signature

Date

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

MAY 06 2013

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 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)

NMOCD AV

PLUG AND ABANDONMENT PROCEDURE

April 3, 2013

Jicarilla 459-17 #9

East Blanco PC; Cabresto Canyon; Ojo Alamo Ext.
1850' FNL, 2510' FEL, Section 17, T30N, R3W, Rio Arriba County, NM
API 30-039-25763 / Long: _____ / Lat: _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes _____, No X, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 2-3/8", Length 3578'.
Packer: Yes X, No _____, Unknown _____, Type: 2 packers – Dual Cup packer at 1697' and a Model R packer at 3294'.

If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

Note: Make every attempt to release packers and TOH and LD. If unable to release packers and TOH, then contact Company Engineer with details to determine P&A procedures.

4. **Plug #1 (Pictured Cliffs interval, Fruitland and Kirtland tops, 3849' – 3369')**: RIH with open ended tubing. Mix and pump 70 sxs Class B cement (excess due to open PC perforations) to isolate the PC interval and cover through the Kirtland top. PUH and WOC. TIH and tag TOC at least 50' above Kirtland top. If necessary top off Plug #1 with cement. PUH.
5. **Plug #2 (Ojo Alamo interval, 3233' – ³¹⁰⁴3433')**: Mix and pump 27 sxs Class B cement (excess due to open OA perforations) to isolate the OA interval. PUH and WOC. TIH and tag TOC at least 50' above Ojo Alamo top. If necessary top off Plug #2 with cement. PUH.
6. **Plug #3 (Nacimiento top, ²⁰²⁹2105' – ¹⁹²⁹2005')**: Mix and pump 20 sxs Class B cement (excess due to open SJ perforations) and spot a balanced plug inside casing to isolate the Nacimiento top. PUH and WOC. TIH and tag TOC at least 50' above Nacimiento top. If necessary top off Plug #3 with cement. TOH with tubing.
7. **Plug #4 (San Jose interval, 1512' – 1412')**: TIH with 5.5" CIBP or CR and set at 1512'. Mix 17 sxs Class B cement to isolate the San Jose perforations and cover the SJ top. PUH.
8. **Plug #5 (8-5/8" casing shoe, 583' – 483')**: Mix and pump 17 sxs Class B and spot a balanced plug inside the casing to isolate the 8-5/8" casing shoe. TOH and LD tubing.

Jicarilla 459-17 #9

Current

East Blanco PC; Cabresto Canyon; Ojo Alamo ext.

1850' FNL & 2510' FEL, Section 17, T-30-N, R-3-W, Rio Arriba County, NM

Long: _____ / Lat: _____ / API 30-039-25763

Today's Date: 4/3/13

Spud: 2/14/98

Comp: 4/8/98

Elevation: 7165' GI
7177' KB

12-1/4" Hole

TOC @ 427' (1998 T.S.)

8-5/8" 24#, Casing set @ 533'
Cement with 325 sxs, circulated to surface

San Jose Perforations:
1562' - 1624'

2-3/8" tubing at 3759'
(115 jts, Dual Cup packer at
1697', Model R packer at 3294', R
profile and pup joint on end of tbg)

Nacimiento @ 2055'

Ojo Alamo @ 3183'

Ojo Alamo Perforations:
3190' - 3232'

Model R packer @ 3294' (2005)

Kirtland @ 3419'

Fruitland @ 3651'

Pictured Cliffs @ 3734'

Pictured Cliffs Perforations:
3735' - 3799'

7-7/8" Hole

5.5" 15.5#, Casing @ 3965'
Cement with 470 sxs

3970' TD
3923' PBTD

Jicarilla 459-17 #9

Proposed P&A

East Blanco PC; Cabresto Canyon; Ojo Alamo ext.

1850' FNL & 2510' FEL, Section 17, T-30-N, R-3-W, Rio Arriba County, NM

Long: _____ / Lat: _____ / API 30-039-25763

Today's Date: 4/3/13

Spud: 2/14/98

Comp: 4/8/98

Elevation: 7165' GI
7177' KB

12-1/4" Hole

Perforate @ 100'

TOC @ 427' (1998 T.S.)

8-5/8" 24#, Casing set @ 533'
Cement with 325 sxs, circulated to surface

Plug #6: 100' - 0'
Class B cement, 35 sxs

Plug #5: 583' - 483'
Class B cement, 17 sxs

Set CR @ 1512'

San Jose Perforations:
1562' - 1624'

Plug #4: 1512' - 1412'
Class B cement, 17 sxs

Nacimiento @ 2055'

Plug #3: 2105' - 2005'
Class B cement, 20 sxs
(excess due to open SJ
perforations)

Ojo Alamo @ 3183'

Ojo Alamo Perforations:
3190' - 3232'

Plug #2: 3233' - 3133'
Class B cement, 27 sxs
(excess due to open OA
perforations)

Kirtland @ 3419'

Fruitland @ 3651'

Plug #1: 3849' - 3369'
Class B cement, 70 sxs
(excess due to open PC
perforations)

Pictured Cliffs @ 3734'

Pictured Cliffs Perforations:
3735' - 3799'

7-7/8" Hole

5.5" 15.5#, Casing @ 3965'
Cement with 470 sxs

3970' TD
3923' PBD

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 9 Jicarilla 459-17

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) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a) Bring the top of the Ojo Alamo plug to 3104'.
 - b) Place the Nacimiento plug from 2029' - 1929'.
 - c) You are required to have H2S monitoring equipment and personnel on location during plugging operations.

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.