

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 18 2014

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

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
 Oil Well Gas Well Other

2. Name of Operator
Black Hills Gas Resources, Inc.

3a. Address
3200 N 1st St, Bloomfield, NM 87413

3b. Phone No. (include area code)
(505) 634-5104

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1500' FSL & 1500' FWL NE/SE Section 14 T29N R3W (UL: K)

5. Lease Serial No.
MDA 701-98-0013 Tract 1

6. If Indian, Allottee, or Tribe Name
Jicarilla Apache Tribe

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

8. Well Name and No.
Jicarilla 29-02-14 #32

9. API Well No.
30-039-29429

10. Field and Pool, or Exploratory Area
E. Blanco PC/Basin Fruitland Coal

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 recomplete 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 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 recompletion 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 reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Per the Notice of Intent dated May 14, 2014, to plug and abandon Jicarilla 29-03-14 #32, Black Hills Gas Resources is submitting the attached plug and abandon procedure.

BHGR will be using closed loop system.

Notify NMOCD 24 hrs prior to beginning operations

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Daniel Manus Title **Regulatory Technician**

Signature *Daniel Manus* Date **June 17, 2014**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Troy Salvors** Title **Petroleum Eng.** Date **6/24/2014**

Office **FFO**

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)

NMOCD W

PLUG AND ABANDONMENT PROCEDURE

June 6, 2014

Jicarilla 29-03-14 #32

East Blanco Pictured Cliffs/Basin Fruitland Coal
1500' FSL, 1500' FWL, Section 14, T29N, R3W, Rio Arriba County, NM
API 30-039-29429 / 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 will use 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 _____, Unknown _____.
Tubing: Yes , No _____, Unknown _____, Size 2-3/8" , Length 3605'
Packer: Yes _____, No , Unknown _____, Type _____.

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

Run gyroscopic survey on wireline from PBTD to surface prior to spotting cement plugs.

4. **Plug #1 (Pictured Cliffs interval, Fruitland interval, Kirtland and Ojo Alamo tops, 3510' – 3026')**: Round trip 5.5" casing scraper or gauge ring to 3510'. TIH with CR or CIBP, set at 3510'. Tag CR or CIBP with tbg. Mix 72 sxs Class B cement and spot plug inside the casing above the CR or CIBP to isolate the PC interval, fill the Fruitland Coal perforations (note: 100% over 35' of perforation) and cover the Fruitland, Kirtland and Ojo Alamo tops. PUH and WOC. TIH and tag cement 50' above top of Ojo Alamo. If necessary top off cement and go to Plug #2.
5. **Plug #2 (Nacimiento top, 1914' – 1814')**: *See COA* Mix 17 sxs Class B cement and spot a balanced plug inside the casing to cover the Nacimiento top. TOH and LD tubing.
6. **Plug #3 (8-5/8" Surface casing shoe, 326' - Surface)**: Perforate 3 HSC holes at 326'. Establish circulation out 5.5" x 8-5/8" annulus. Mix and pump approximately 100 sxs cement down the 5.5" casing until good cement returns out annuli and bradenhead. Shut in well and WOC.
7. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations

Jicarilla 29-03-14 #32

Proposed P&A

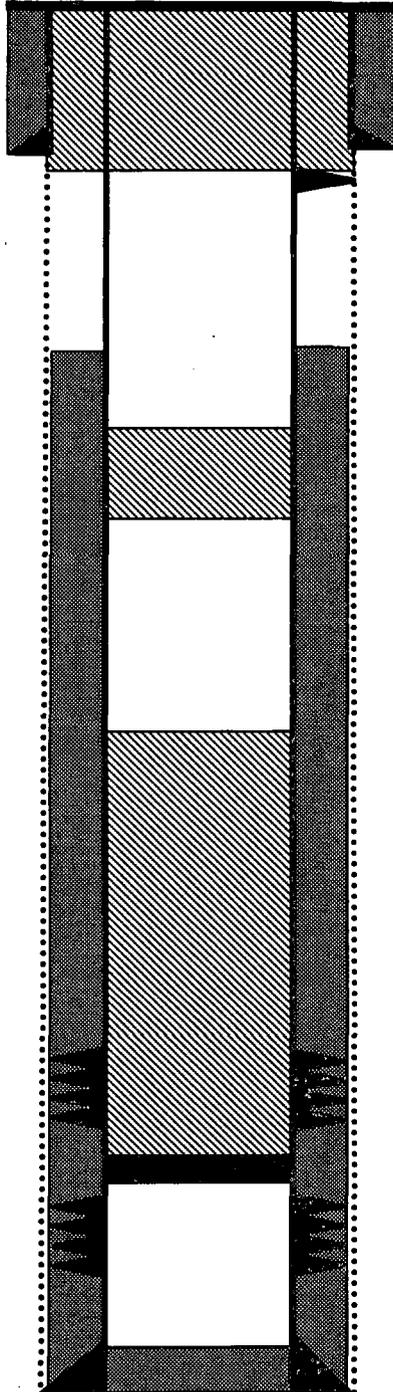
East Blanco Pictured Cliffs / Basin Fruitland Coal

1500' FSL & 1500' FWL, Section 14, T-29-N, R-3-W, Rio Arriba County, NM

Long: _____ / Lat: _____ / API 30-039-29429

Today's Date: 6/6/14
Spud: 01/17/06
Comp: 2/17/06
Elevation: 7014' GI
7026' KB

12-1/4" Hole



8-5/8" 24#, J-55 Casing set @ 276'
Cement with 200 sxs, circulated to surface

Plug #3: 326' - 0'
Class B cement, 100 sxs

TOC 920' (2006 CBL)

See COA
Plug #2: 1914' - 1814'
Class B cement, 17 sxs

Nacimiento @ 1864'

Ojo Alamo @ 3076'

Kirtland @ 3307'

Fruitland @ 3378'

Plug #1: 3510' - 3026'
Class B cement, 72 sxs
(100% excess over 35' perforations)

Fruitland Coal Perforations:
3466' - 3501'

Set CR @ 3510'
Pictured Cliffs Perforations:
3524' - 3564'

Pictured Cliffs @ 3522'

7-7/8" Hole

5.5" 15.5 & 17#, J-55 Casing @ 3700'
Cement with 650 sxs

3700' TD
3671' 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: Jicarilla 29-~~02~~-14 #32

03

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
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) Set plug #2 from (1975-1875) ft. to cover the Nacimiento top

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.