



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington Field Office  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401

IN REPLY REFER TO:  
JIC 459  
3162.3-1 (2110)

November 8, 2005

Mr. Allen Parrent  
Black Hills Gas Resources, Inc.  
3200 North 1<sup>st</sup>  
Bloomfield, NM 87413

Dear Mr. Parrent:

Reference is made to the following well drilled on Jicarilla Contract 459:

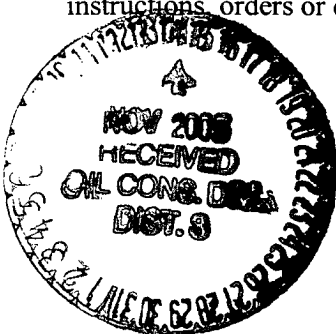
30-039-27778

**Jicarilla 459-20 #17, located 370' FSL and 510' FWL, Section 20, T30N, R3W, Rio Arriba County, New Mexico**

On October 31, 2005, this office received your Sundry Notices with details of the drilling actions that have taken place on this well. The Sundry Notices indicate that this well is scheduled as an East Blanco Pictured Cliffs completion. A subsequent Sundry Notice of Intent was approved, on August 17, 2004, to change the horizon of completion from the East Blanco Pictured Cliffs to the Basin Dakota, with a total depth of 7000 feet. The Subsequent Sundries indicate that a total depth of approximately 4000 feet was reached and that the horizon to be completed is now the East Blanco Pictured Cliffs. This office has no record of prior approval, written or verbal, being given to change the total depth or to complete any horizon other than the Basin Dakota. As a result, this is considered a violation.

You are in violation of 43 CFR 3162.3-1, which states that the drilling plan may be modified, as circumstances may warrant, with the approval of the authorized officer (AO). This violation will serve as notice that if actions of this sort occur in the future, on any operations conducted by your company, you will be subject to an assessment. Enclosed you will find your processed Subsequent Sundry Notices.

Under provisions of 43 CFR 3165.3, you may request and Administrative Review, before the State Director either with or without oral presentation, of the assessment described above. Such a request, including all supporting documentation, shall be filed in writing with the State Director, Bureau of Land Management, P.O. Box 27115 (NM-92000), Santa Fe, New Mexico 87502-0115 within 20 business days of the date this notice was received or considered to have been received. Such a request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*



If you have any questions or concerns regarding this issue, please feel free to contact me at (505) 599-6358.

Sincerely,

*/s/ Adrienne Brumley*

Adrienne Brumley  
Petroleum Engineer,  
Petroleum Management Team

Enclosures

cc: NMOCD  
BIA Jicarilla Agency  
Jicarilla Apache Nation