Form 3160-5 (August 2007) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 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.							FORM APPROVED OMB No. 1004-0137 Expires: July 31,2010 Farmington Field Office MDA 701-98-0013, Tract 2 and Management 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 29-03-11 #2 9. API Well No. 30-039-26731	
3a. Address 3200 N 1st St, Bloomfield, NM 87413 3b. Phone No. (include area code) (505) 634-5104						10. Field and Poo	10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2050' FNL & 630' FEL SE/SE Section 11 T29N R3W (UL:H)						Cabresto Canyon Tertiary 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 SUBMISSI	YPE OF SUBMISSION TYPE OF ACTION							
Notice of Intent Subsequent Report		cidize Itering Casing asing Repair	Deepen Fracture Treat New Construction]	Production (Reclamation Recomplete		Water Shut-off Well Integrity Other	
		hange Plans	Plug and abandon	ř	Temporarily			
Final Abandonment	42 =	onvert to Injection	Plug back	i	Water Dispo			
following completion of the	the involved operations d. Final Abandonment ready for final inspect arces intends to	plug and abando	a multiple completion after all requirements, i	or recompleti including recl	ion in a new inter amantion, have b	val, a Form 3160-4 sl een completed, and th	nall be filed once	
Attachments: Proposed Proce Current Well B Proposed Well	T RELIEVE THE OBTAINING A	DIMED FOR OFERALIONS			SEE ATTACHED FOR CONDITIONS OF APPROVAL			
				prior	NMOCD 24 l to beginnin perations		CONS. DIV DIST. 3	
* Reclamat	ion olan	has not b	een aloor	oved.			MAY 0 9 2016	
14. I hereby certify that the fo		rect. Name (Printed Type	rd)					
Daniel Manus			Title Regul	atory Te	chnician II			
Signature Vaniel Manus Date April 25,206								
Approved by	1	THIS SPACE	FOR FEDERAL	OR STA	TE ÓFFICE	USE		
Conditions of approval, if any a that the applicant holds legal or entitle the applicant to conduct	equitable title to those operations thereon.	e rights in the subject lease	rant or certify which would		PE FFO	Da	77	
Title 18 U.S.C. Section 1001 A fictitious or fraudulent statemen (Instructions on page 2)				ngly and will	fully to make any	department or agenc	ry of the United States any false,	

NMOCD

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PLUG AND ABANDONMENT PROCEDURE

April 25, 2016

Jicarilla 29-03-11 #2

East Blanco PC / Cabresto Canyon; Tertiary 2050' FNI 630' FFI Section 11 T29N R3W Rio Arriba County NM

	API 30-039-26731 / Long: / Lat:					
lote:	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, NoX_, Unknown Tubing: YesX_, No, Unknown, Size2-7/8", Length3818' Packer: Yes, NoX_, Unknown, Type If this well has rods or a packer, then modify the work sequence in step #2 as appropriate. Round trip 5.5" casing scraper or gauge ring to 3666', or as deep as possible.					
4.	Plug #1 (Pictured Cliffs interval, Fruitland, Kirtland and Ojo Alamo tops, 3666' – 3213'): RIF and set 5.5" CR or CIBP at 3666'. Pressure test tubing to 1000#. Pressure test casing to 800#. If casing does not test, then spot or tag subsequent plug as appropriate. Mix and pump 57					

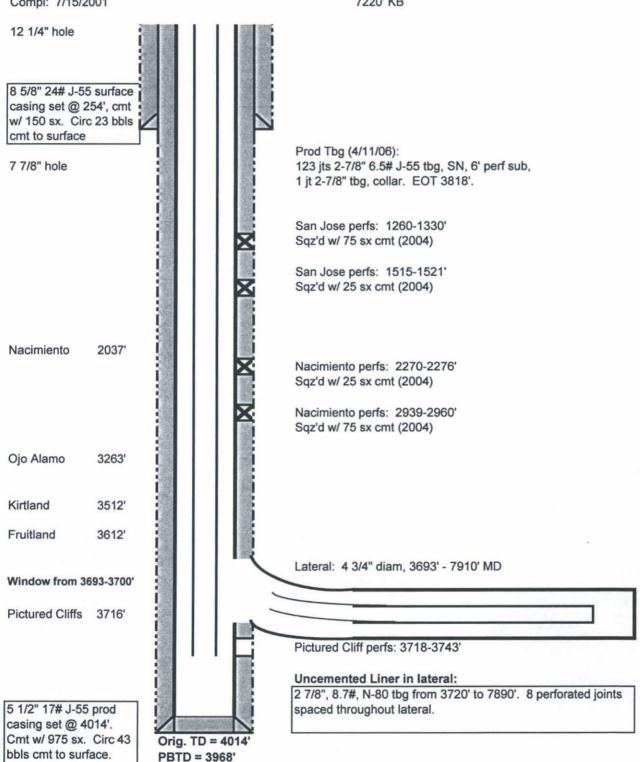
- sxs Class B cement and spot a plug from 3666' isolate the PC interval and cover the Fruitland, Kirtland and Ojo Alamo tops. PUH.
- 5. Plug #2 (Nacimiento top, 2087' 1987'): Mix 17 sxs Class B cement and spot a balanced plug to cover the Nacimiento top. PUH.
- 6. Plug #3 (8-5/8" Surface casing shoe, 304' Surface): Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 40 sxs cement and spot a balanced plug from 304' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 304' and the annulus from the squeeze holes to surface. Shut in well and WOC.
- 7. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. Cut off anchors and clean up location. Restore location per BLM stipulations.

4/25/2016

Jicarilla 29-03-11 #2 CURRENT Wellbore Diagram SENE Sec. 11, T29N, R3W Rio Arriba, NM

Spud: 4/15/2001 Compl: 7/15/2001 API# 30-039-26731

7208' GL 7220' KB

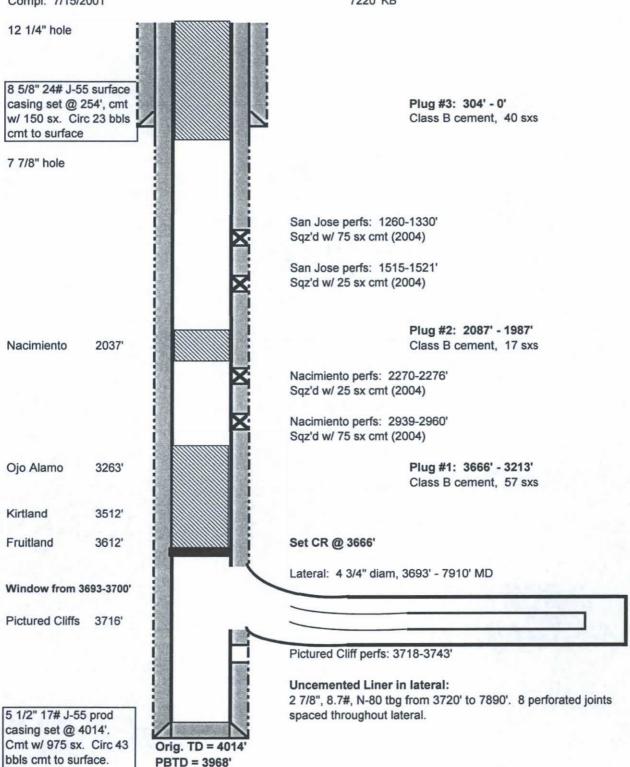


4/25/2016

Jicarilla 29-03-11 #2 PROPOSED Wellbore Diagram SENE Sec. 11, T29N, R3W Rio Arriba, NM

Spud: 4/15/2001 Compl: 7/15/2001 API# 30-039-26731

7208' GL 7220' KB



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 29-03-11 #2

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) Set plug #2 (2122-2022) ft. to cover the Nacimiento top. BLM picks top of Nacimiento at 2072 ft.

H₂S has not been reported at this location; however, low concentrations of H₂S (46 ppm GSV) have been reported from comingled Tertiary sand and P.C. gas prod. in the SENW/4 Sec. 2, 29, 3W. *High to very high concentrations of H₂S* have been reported in wells which produce gas from San Jose, Nacimiento, and Ojo Alamo fms. to the north of this location. *It is imperative that H₂S monitoring and safety equipment be on location during plugging operations at this well site.*

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.