

UNITED STATES
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.

FORM APPROVED
OMB No. 1004-0135
Expires: March 31, 2007

MAR 2006

5. LEASE SERIAL NO.

NM18319

DIST. 3

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. IF UNIT OR CA, AGREEMENT DESIGNATION

SUBMIT IN TRIPLICATE

1. TYPE OF WELL

Oil Well ☐ Gas Well ☒ Other: _____

2. NAME OF OPERATOR

Black Hills Gas Resources, Inc.

3. ADDRESS AND TELEPHONE NO.

350 Indiana Street, Suite 400
Golden CO 80401

CONTACT: Lynn Benally

PHONE: 505.634.1111

Fax: 505.634.1116

8. WELL NAME AND NO.

29-4 Conoco 20 7 (aka Carson 29-04-20 7H)

9. API WELL NO.

30-039-20809

4. LOCATION OF WELL (Footage, T, R, M, or Survey Description)

1,485' FNL 793' FWL Sec. 20 T 29N R 4W

10. FIELD AND POOL, OR EXPLORATORY AREA

Gobernador PC
Basin-Fruitland Coal Gas Pool

11. COUNTY OR PARISH, STATE

Rio Arriba, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (start/resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input checked="" type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <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 | |

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 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 recompleat 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.)

The location was permitted for Continental Oil Company with an Application for Permit to Drill (APD) submitted to the Bureau of Land Management (BLM) in Farmington, New Mexico, and the New Mexico Oil Conservation Division (NMOCD) on February 1, 1974. The APD was given API# 30-039-20809. Black Hills Gas Resources, Inc. (BHGR) proposes to re-enter and horizontally drill this location with an easterly lateral bore. End of lateral bore is anticipated to be 1,485' FNL 636' FEL of Sec. 20 T 29N R4W. Please find attached: Revised Drilling Program, BOP Diagram, Hydrogen Sulfide Drilling Operations Plan and Horizontal Drilling plan.

Please send a copy of all correspondent to Banko Petroleum Management Inc. at 385 Inverness Parkway, Suite 420, Englewood, CO 80112-5849. Please contact Dave Banko or Kathy Schneebeck at 303-820-4480, or at david@banko1.com or kathys@banko1.com, respectively, if you have any questions. Thank you.

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Kathy L. Schneebeck, 303.820.4480

Title: Permit Agent for Black Hills Gas Resources, Inc.

Signature

Kathy L. Schneebeck

Date: February 15, 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE.

Approved by

[Signature]

Title

PS

Date

MAR 20 2006

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

1-00

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes 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.

HOLD C104 FOR directional survey

NMOCD

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

RECEIVED

070 FARMINGTON NM

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-20809	² Pool Code 77440	³ Pool Name Gobernador pc
⁴ Property Code	⁵ Property Name 29-4 CONOCO 20	⁶ Well Number 7
⁷ OGRID No. 13925	⁸ Operator Name BLACK HILLS GAS RESOURCES	⁹ Elevation 6568

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	20	29-N	4-W		1485	NORTH	793	WEST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	20	29-N	4-W		1485	NORTH	636	EAST	RIO ARRIBA

¹² Dedicated Acres 320 N/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ CALC. CORNER BY DBL. PROP. 1485' 793' 5288.0' (C) S 00-03-31 E CALC. CORNER BY DBL. PROP.	S 89-37-49 E 5169.43' (C) LAT. 36°42'49.3" N (NAD 83) LONG. 107°16'56.5" W (NAD 83) 20 NOTE: SURFACE FOOTAGES SHOWN ARE OF RECORD PER REQUEST OF B.L.M. AND PRODUCER.	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Kathy L. Schneebeck Signature Kathy L. Schneebeck Printed Name Permit Agent for Black Hills Gas Resources, Inc. kathys@banko1.com Title and Email address February 15, 2006 Date
		¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. FEBRUARY 15, 2006 Date of Survey JOHN A. VUKONICH Signature of Surveyor NEW MEXICO 14831 2-14-06 REGISTERED PROFESSIONAL SURVEYOR Certificate Number

Black Hills Gas Resources, Inc.
29-4 Conoco 20 7 (aka Carson 29-04-20 7H)
API #30-039-20809
Surface: 1,485' FNL 793' FWL (SW/4 NW/4)
End of Horizontal Hole: 1,485' FNL 636' FEL (SE/4 NE/4)
T29N R4W Sec. 20
Rio Arriba County, New Mexico
Lease: NM18319

DRILLING PROGRAM

This Sundry Notice is submitted per CFR 3162.3-2. The existing well pad and reserve pit will be utilized "as is."

This is a horizontal entry into the existing well 29-4 Conoco 20 7 (aka Carson 29-04-20 7H) to the Pictured Cliffs Formation. See also the attached Horizontal Re-completion Plan.

SURFACE FORMATION – San Jose. Surface water protection plan: Surface casing will be cemented to surface.

GROUND ELEVATION – 6,568' GL

ESTIMATED FORMATION TOPS (Water, oil, gas and/or other mineral-bearing formations).

All Depths are True Vertical Depth (TVD)

San Jose	Surface	Sandstone, shales and siltstones
Nacimiento	2,600'	Sandstone, shales and siltstones
Ojo Alamo	2,828'	Sandstone, shales and siltstones
Kirtland	2,915'	Sandstone, shales and siltstones
Fruitland	3,092'	Sandstone, shales and siltstones
Pictured Cliffs	3,284'	Sandstone, shales and siltstones
Lewis	4,236'	Sandstone, shales and siltstones

TOTAL DEPTH 3,302.31' TVD (end of horizontal hole) 3,740' TVD (anticipated horizontal section)
7,111.07' MD

Estimated depths of anticipated fresh water, oil, or gas:

Tertiary

San Jose	1,300'	Gas
Nacimiento	2,600'	Gas
Ojo Alamo	2,828'	Gas
Fruitland	3,092'	Gas
Pictured Cliffs	3,284'	Gas

RE-ENTRY – HORIZONTAL DRILLING PROGRAM

- A) A 2,000-psi WP double-gated BOP will be installed on the tubing head with blind rams on bottom and pipe rams on top controlled by an accumulator placed within easy access to drill and other crew members.
- B) No annular preventor will be placed above BOP stack.
- C) Well was never completed.
- D) Retrievable whipstock to be set at $\pm 3,315'$.

DRILLING PROGRAM
29-4 Conoco 20 7 (aka Carson 29-04-20 7H)
Horizontal Re-entry

- E) Window to be milled out of 7" csg at $\pm 3,311'$.
 F) Kick-off Point is estimated to be at 3,311' based on collar locations.

CASING PROGRAM

True Vertical Depth	Hole Diameter	Casing Diameter	Casing Weight and Grade	Cement
0' – 226'	15"	10-3/4"	K-55 40.5# ST&C	To surface (previously set)
0' – 3,311'	8-3/4"	7"	K-55 20# and 23# LT&C	To surface (previously set)
3,311' – 7,111.07' (MD)	4-3/4"	Open hole	None	None

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and protected.

PRESSURE CONTROL

BOPs and choke manifold will be installed and pressure tested before drilling out under surface casing (subsequent pressure test will be performed whenever pressure seals are broken), and then will be checked daily as to mechanical operating condition. BOP's will be pressure tested at least once every 30 days. Ram type preventors and related pressure control equipment will be pressure tested to 1,000 psi. Annular type preventor will be pressure tested to 50% of the rated working pressure, not to exceed 1,000 psi. All casing strings will be pressure tested to 0.22 psi/ft. or 1,000 psi, whichever is greater, not to exceed 70% of internal yield.

BOP to be either double gate rams or an annular preventor as per Onshore Order No. 2.

Statement on Accumulator System and Location of Hydraulic Controls

The drilling rig has not yet been selected for this well. Selection will take place after approval of this application. Manual and/or hydraulic controls will be in compliance with Onshore Order No. 2 for 2M systems.

A remote accumulator will be used. Pressures, capacities, location of remote hydraulic and manual controls will be identified at the time of the BLM supervised BOP test.

MUD PROGRAM

3,311' - 7,111.07' MD Low solids non-dispersed
 M.W. 8.5 – 9.2 ppg
 Vis – 28 – 50 sec
 W.L. 15cc or less

Sufficient mud materials to maintain mud properties, control lost circulation and to contain "kick" will be available at wellsite.

AUXILIARY EQUIPMENT

- A) A Kelly cock will be kept in the drill string at all times
 B) Inside BOP or stab-in valve (available on rig floor)
 C) Mud monitoring will be visually observed
 D) Testing: None anticipated.

LOGGING, CORING, TESTING PROGRAM

- A) Logging: CBL-CCL log will be run prior to beginning squeeze work.
- B) Coring: None
- C) Testing: None

ABNORMAL CONDITIONS

- A) Pressures: No abnormal conditions are anticipated
Bottom hole pressure gradient – 0.31 psi/ft
- B) Temperatures: No abnormal conditions are anticipated
- C) H₂S: See H₂S Plan if H₂S is encountered.
- D) Estimated bottomhole pressure: 1,160 psi

ANTICIPATED START DATE

March 10, 2006

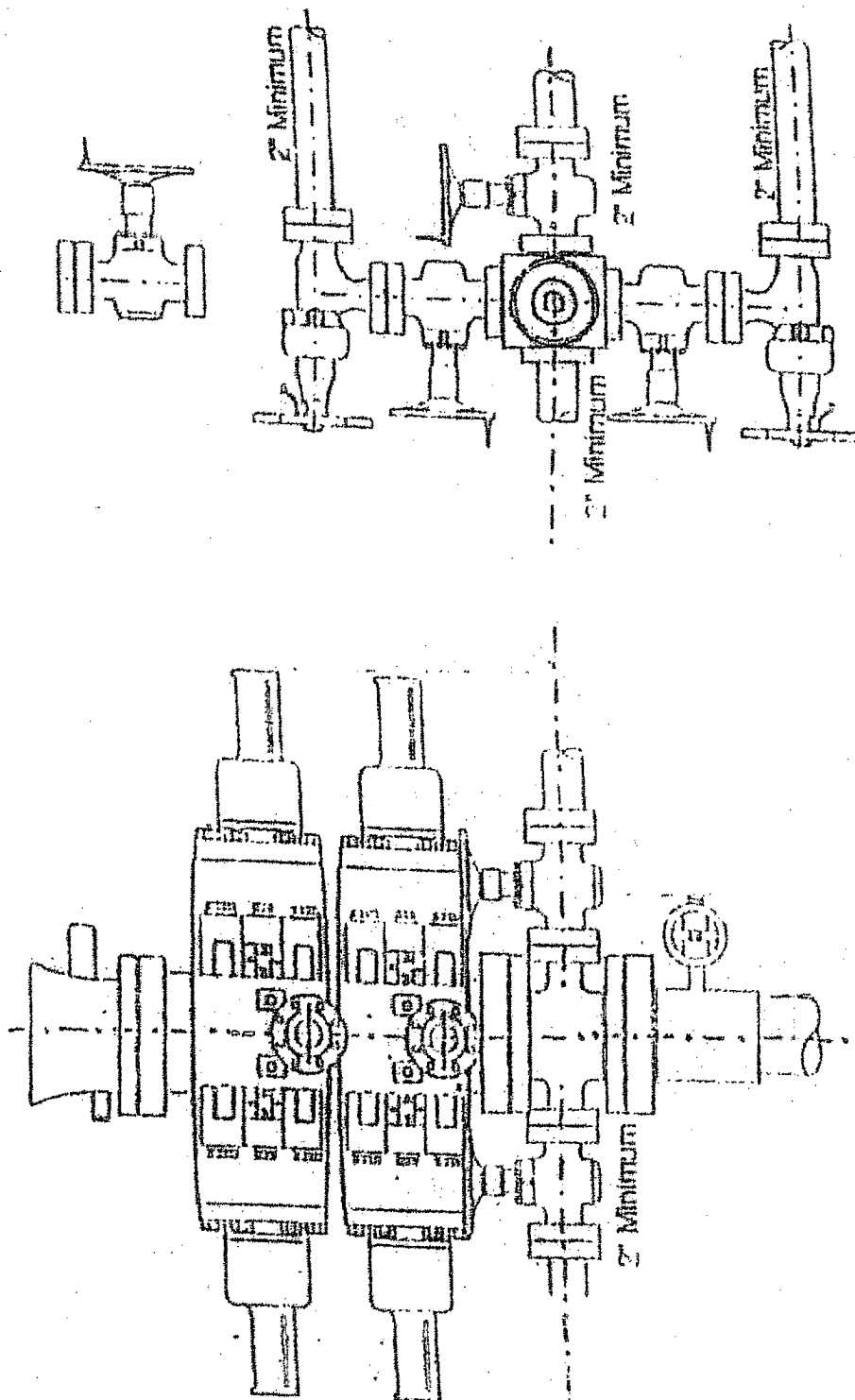
COMPLETION

The location pad is of sufficient size to accommodate all completion activities and equipment. A string of 2-3/8" J-55 4.7#/ft tubing will be run for a flowing string. A Sundry Notice will be submitted with a revised completion program if warranted.

2-M SYSTEM

Black Hills Gas Resources, Inc.

ANNULAR PREVENTOR MAY BE SUBSTITUTED FOR DOUBLE GATE PREVENTORS
BOP PRESSURE TEST TO 1,000 PSI



Hydrogen Sulfide Drilling Operations Plan

I. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H_2S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H_2S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H_2S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H_2S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H_2S zone (within 3 days or 500 feet) and weekly H_2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H_2S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

II. H_2S Safety Equipment and Systems

Note: All H_2S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above or three days prior to penetrating the first zone containing or reasonably expected to contain H_2S .

A. Well control equipment:

1. Choke manifold with a minimum of one remote choke.
2. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.

B. Protective equipment for essential personnel:

1. Mark II Surviveair 30-minute units located in the doghouse and at briefing areas, as indicated on well site diagram.

C. H₂S detection and monitoring equipment:

1. Two portable H₂S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H₂S levels of 10 ppm are reached.

D. Visual warning systems:

1. Wind direction indicators as shown on well site diagram.
2. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used when appropriate. See example attached.

E. Mud program:

1. The mud program has been designed to minimize the volume of H₂S circulated to the surface. Proper mud weight, safe drilling practices, and the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.

F. Metallurgy:

1. All drill strings, casings, tubing, wellhead, blowout preventors, drilling spools, kill lines, choke manifold and lines, and valves shall be suitable for H₂S service.
2. All elastomers used for packing and seals shall be H₂S trim.

G. Communication:

1. Cellular telephone communications in company vehicles.

H. Well testing:

1. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity which are necessary to safely and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill stem testing operations conducted in an H₂S environment will use the closed chamber method of testing.



1724-B Townhurst Dr, Houston, Tx 77043
(713) 827-8302
www.nevisenergy.com

Job Number: 205-zzz

Company: Black Hills/ Malon Oil Co.

Lease/Well: 29-4 Carson 20 # 1H

Location: Rio Arriba Co., NM

Rig Name: Patterson 744

RKB: ☐

G.L. or M.S.L.: ☐

State/Country: ☐

Declination: ☐

Grid: ☐

File name: N:\BLACKH-12005\29-4CA-11294C201.SVY

Date/Time: 21-Oct-05 / 15:05

Curve Name: Plan 1

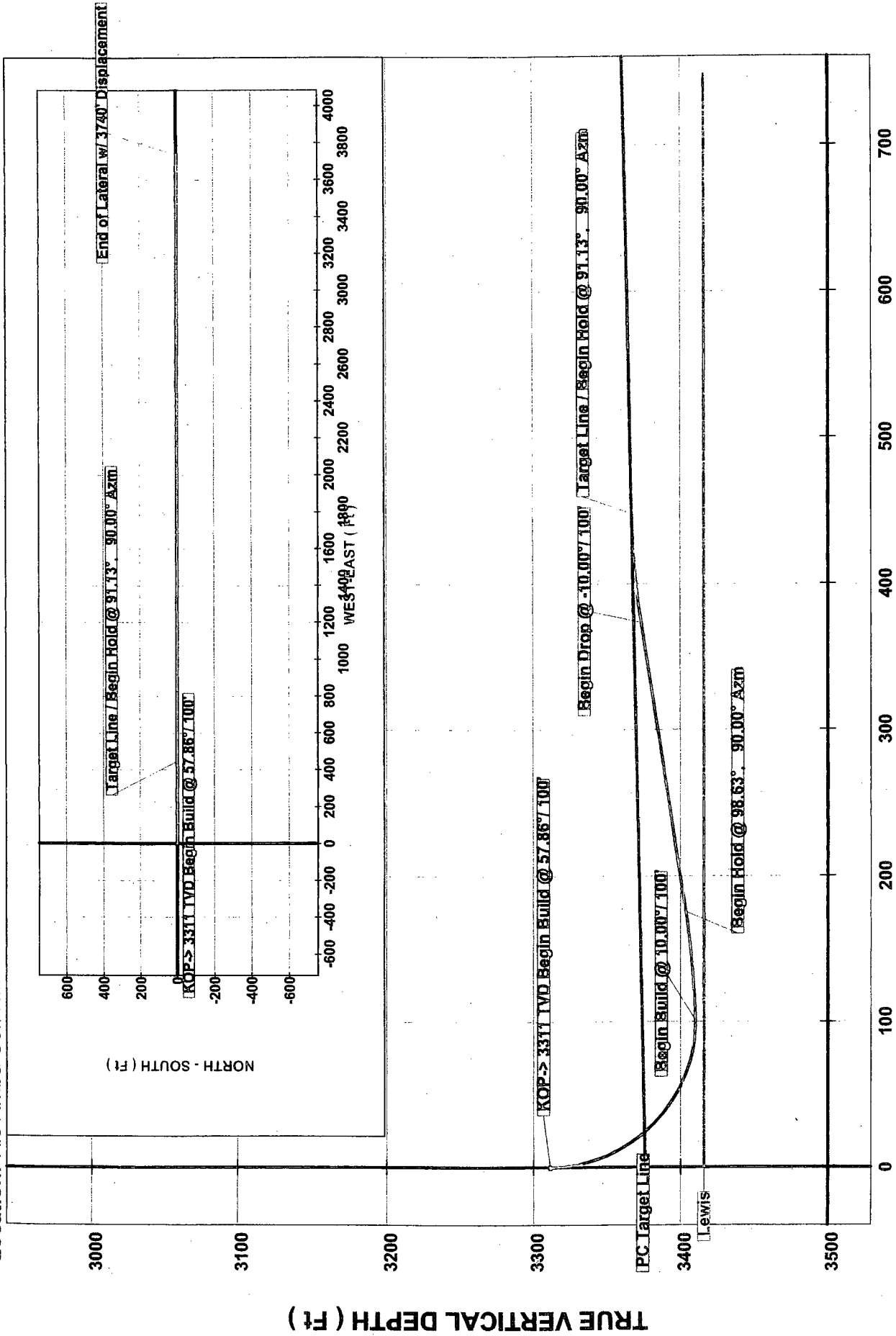
WINSERVE PROPOSAL REPORT
Minimum Curvature Method
Vertical Section Plane 90.00
Vertical Section Referenced to Wellhead
Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
KOP-> 3311 TVD Begin Build @ 57.86°/ 100'									
3311.00	.00	90.00	3311.00	.00	.00	.00	.00	.00	.00
3321.00	5.79	90.00	3320.98	.50	.00	.50	.50	90.00	57.86
3331.00	11.57	90.00	3330.86	2.01	.00	2.01	2.01	90.00	57.86
3341.00	17.36	90.00	3340.54	4.51	.00	4.51	4.51	90.00	57.86
3351.00	23.15	90.00	3349.92	7.97	.00	7.97	7.97	90.00	57.86
3361.00	28.93	90.00	3358.90	12.36	.00	12.36	12.36	90.00	57.86
3371.00	34.72	90.00	3367.40	17.63	.00	17.63	17.63	90.00	57.86
3381.00	40.50	90.00	3375.31	23.73	.00	23.73	23.73	90.00	57.86
3391.00	46.29	90.00	3382.58	30.60	.00	30.60	30.60	90.00	57.86
3401.00	52.08	90.00	3389.11	38.16	.00	38.16	38.16	90.00	57.86
3411.00	57.86	90.00	3394.85	46.35	.00	46.35	46.35	90.00	57.86

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
3421.00	63.65	90.00	3399.73	55.07	.00	55.07	55.07	90.00	57.86
3431.00	69.44	90.00	3403.71	64.24	.00	64.24	64.24	90.00	57.86
3441.00	75.22	90.00	3406.74	73.76	.00	73.76	73.76	90.00	57.86
3451.00	81.01	90.00	3408.80	83.54	.00	83.54	83.54	90.00	57.86
3461.00	86.79	90.00	3409.86	93.48	.00	93.48	93.48	90.00	57.86
Begin Build @ 10.00' / 100'									
3468.49	91.13	90.00	3410.00	100.97	.00	100.97	100.97	90.00	57.86
3478.49	92.13	90.00	3409.72	110.97	.00	110.97	110.97	90.00	10.00
3488.49	93.13	90.00	3409.26	120.96	.00	120.96	120.96	90.00	10.00
3498.49	94.13	90.00	3408.62	130.94	.00	130.94	130.94	90.00	10.00
3508.49	95.13	90.00	3407.82	140.90	.00	140.90	140.90	90.00	10.00
3518.49	96.13	90.00	3406.84	150.86	.00	150.86	150.86	90.00	10.00
3528.49	97.13	90.00	3405.68	160.79	.00	160.79	160.79	90.00	10.00
3538.49	98.13	90.00	3404.35	170.70	.00	170.70	170.70	90.00	10.00
Begin Hold @ 98.63°, 90.00° Azm									
3543.49	98.63	90.00	3403.62	175.65	.00	175.65	175.65	90.00	10.00
3543.49	98.63	90.00	3388.62	274.51	.00	274.51	274.51	90.00	.00
Begin Drop @ -10.00' / 100'									
3743.49	98.63	90.00	3373.61	373.38	.00	373.38	373.38	90.00	.00
3753.49	97.63	90.00	3372.20	383.28	.00	383.28	383.28	90.00	10.00
3763.49	96.63	90.00	3370.96	393.20	.00	393.20	393.20	90.00	10.00
3773.49	95.63	90.00	3369.89	403.15	.00	403.15	403.15	90.00	10.00
3783.49	94.63	90.00	3369.00	413.11	.00	413.11	413.11	90.00	10.00
3793.49	93.63	90.00	3368.28	423.08	.00	423.08	423.08	90.00	10.00
3803.49	92.63	90.00	3367.73	433.07	.00	433.07	433.07	90.00	10.00
3813.49	91.63	90.00	3367.36	443.06	.00	443.06	443.06	90.00	10.00
Target Line / Begin Hold @ 91.13°, 90.00° Azm									
3818.49	91.13	90.00	3367.24	448.06	.00	448.06	448.06	90.00	10.00
3918.49	91.13	90.00	3365.27	548.04	.00	548.04	548.04	90.00	.00
4018.49	91.13	90.00	3363.29	648.02	.00	648.02	648.02	90.00	.00
4118.49	91.13	90.00	3361.32	748.00	.00	748.00	748.00	90.00	.00
4218.49	91.13	90.00	3359.35	847.98	.00	847.98	847.98	90.00	.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
4318.49	91.13	90.00	3357.38	947.96	.00	947.96	947.96	90.00	.00
4418.49	91.13	90.00	3355.41	1047.94	.00	1047.94	1047.94	90.00	.00
4518.49	91.13	90.00	3353.43	1147.92	.00	1147.92	1147.92	90.00	.00
4618.49	91.13	90.00	3351.46	1247.90	.00	1247.90	1247.90	90.00	.00
4718.49	91.13	90.00	3349.49	1347.88	.00	1347.88	1347.88	90.00	.00
4818.49	91.13	90.00	3347.52	1447.86	.00	1447.86	1447.86	90.00	.00
4918.49	91.13	90.00	3345.55	1547.84	.00	1547.84	1547.84	90.00	.00
5018.49	91.13	90.00	3343.57	1647.82	.00	1647.82	1647.82	90.00	.00
5118.49	91.13	90.00	3341.60	1747.80	.00	1747.80	1747.80	90.00	.00
5218.49	91.13	90.00	3339.63	1847.78	.00	1847.78	1847.78	90.00	.00
5318.49	91.13	90.00	3337.66	1947.77	.00	1947.77	1947.77	90.00	.00
5418.49	91.13	90.00	3335.68	2047.75	.00	2047.75	2047.75	90.00	.00
5518.49	91.13	90.00	3333.71	2147.73	.00	2147.73	2147.73	90.00	.00
5618.49	91.13	90.00	3331.74	2247.71	.00	2247.71	2247.71	90.00	.00
5718.49	91.13	90.00	3329.77	2347.69	.00	2347.69	2347.69	90.00	.00
5818.49	91.13	90.00	3327.80	2447.67	.00	2447.67	2447.67	90.00	.00
5918.49	91.13	90.00	3325.82	2547.65	.00	2547.65	2547.65	90.00	.00
6018.49	91.13	90.00	3323.85	2647.63	.00	2647.63	2647.63	90.00	.00
6118.49	91.13	90.00	3321.88	2747.61	.00	2747.61	2747.61	90.00	.00
6218.49	91.13	90.00	3319.91	2847.59	.00	2847.59	2847.59	90.00	.00
6318.49	91.13	90.00	3317.94	2947.57	.00	2947.57	2947.57	90.00	.00
6418.49	91.13	90.00	3315.96	3047.55	.00	3047.55	3047.55	90.00	.00
6518.49	91.13	90.00	3313.99	3147.53	.00	3147.53	3147.53	90.00	.00
6618.49	91.13	90.00	3312.02	3247.51	.00	3247.51	3247.51	90.00	.00
6718.49	91.13	90.00	3310.05	3347.49	.00	3347.49	3347.49	90.00	.00
6818.49	91.13	90.00	3308.08	3447.47	.00	3447.47	3447.47	90.00	.00
6918.49	91.13	90.00	3306.10	3547.45	.00	3547.45	3547.45	90.00	.00
7018.49	91.13	90.00	3304.13	3647.43	.00	3647.43	3647.43	90.00	.00
End of Lateral w/ 3740' Displacement									
7111.07	91.13	90.00	3302.31	3740.00	.00	3740.00	3740.00	90.00	.00

Job Number: 205-zzz
 Company: Black Hills/ Malon Oil Co.
 Lease/Well: 29-4 Carson 20 # 1H
 Location: Rio Arriba Co., NM



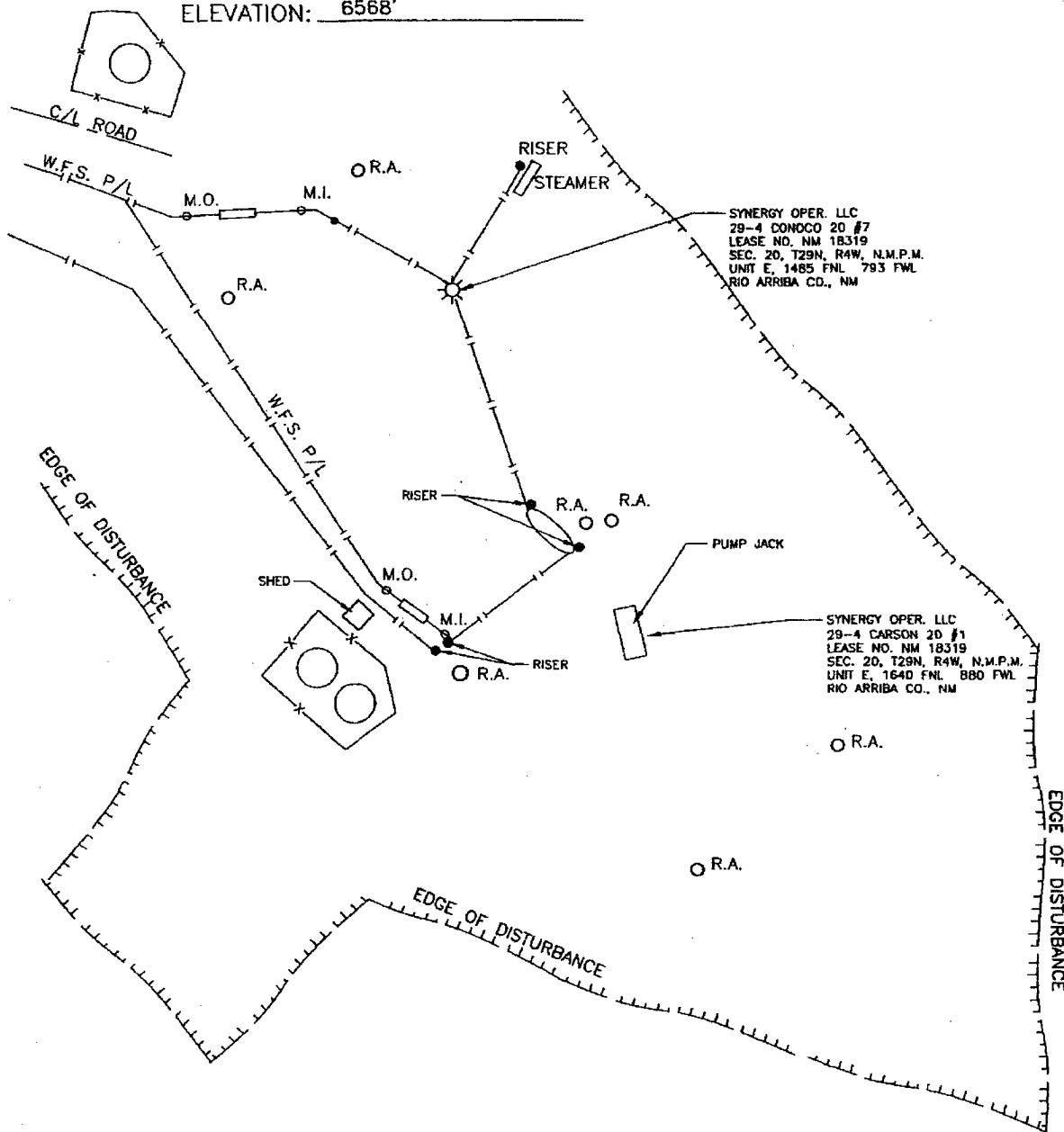
VERTICAL SECTION (Ft) @ 90.00°

WELL PAD DIAGRAM

COMPANY: BLACK HILLS GAS RESOURCES
 LEASE: 29-4 CONOCO 20 No. 7 (aka CARSON 29-04-20 No. 7H)
 FOOTAGE: 1485 FNL 793 FWL
 SEC.: 20 , TWN: 29-N , RNG: 4-W , NMPM
 ELEVATION: 6568'




SCALE IN FEET
 0 25 50



NOTE:

DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR
 UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO
 ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO
 EXCAVATION OR CONSTRUCTION.

REVISION:	DATE:	REVISED BY:
CHANGE SURFACE FOOTAGES	01/11/06	B.I.
CHANGE TO SITE MAP	02/13/06	B.I.
 Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO L.S. 14831		
DRAWN BY: G.V.	CADD FILE: MN429PLB	
ROW#: MN429	DATE: 08/13/05	

BLACK HILLS GAS RESOURCES**29-4 CONOCO 20 NO. 7 (A.K.A.) CARSON 29-04-20 No. 7H ACCESS ROAD**NE 1/4 NE 1/4 OF SEC. 19, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.,
NW 1/4 NW 1/4, SW 1/4 NW 1/4 OF SEC. 20, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

LOCATED SOUTH OF DULCE NEW MEXICO,

RIO ARriba COUNTY, NEW MEXICO

SEC. CORNER
FD 3 1/4" BC
1917 GLO

13 18

24 19

(TIE) S 78-52-25 E
5229.66'

R-5-W (BOB) N 00-02-30 W, 5275.42'

R-4-W

NE 1/4 NE 1/4

U.S. HWY 64
R/W FENCEPT. 10100
TAKEOFF = E.S. 0+00 @
CATTLEGUARD ON HWY 64
R/W FENCE
S 38-23-50 E, 242.87'
BEGIN SURVEY
C/L SURVEY = C/L
F.S. ROAD 364B

NW 1/4 NW 1/4

E.S. 0+19.22
ENTER SEC. 20
LEAVE SEC. 19PT. 10101
E.S. 2+42.87
S 55-42-21 E, 94.03'PT. 10102
E.S. 3+36.90
S 69-07-24 E, 107.75'PT. 10104
E.S. 4+94.25
S 39-19-42 E, 154.56'PT. 10105
E.S. 6+48.81
S 56-47-56 E, 180.54'PT. 10106
E.S. 8+29.35
S 66-04-58 E, 140.35'E.S. 9+53.19
RIG ANCHOR OFST. LT.E.S. 9+67.73
2" RISER OFST. RT.PT. 10107
E.S. 9+69.70
S 63-16-44 E, 74.70'E.S. 10+15.15
C/L P/L X-INGPT. 10108
E.O.L. = E.S. 10+44.40 ON EDGE
OF PROPOSED NEW WELL PAD
CONSTRUCTION
END SURVEYTIE TO WELL HEAD
29-04 CONOCO 20 No. 7
S 83-12-44 W, 30.60'WELL HEAD -
29-04 CARSON 20 No. 1

SW 1/4 NW 1/4

(TIE) S 58-29-29 W
6962.50'

1/4 E

24 19

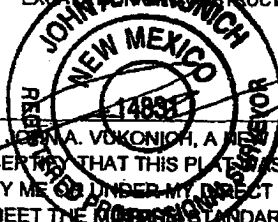
25 30

SEC. CORNER
FD 3 1/4" BC
1917 GLO**NOTES:**1) BASIS OF BEARING - BETWEEN FOUND MONUMENTS AT THE
SOUTHWEST CORNER AND THE NORTHWEST CORNER
OF SECTION 19, T-29-N, R-4-W, N.M.P.M. LINE BEARS
N 00-02-30 W A DISTANCE OF 5275.42 FEET AS MEASURED BY GPS.

2) DATE OF SURVEY - JUNE 17, 2005


3) DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR
UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO
ONE CALL TO BE COMPLETED 48 HOURS PRIOR TO
EXCAVATION OR CONSTRUCTION.

OWNER	STATION	FT./RODS
USFS	E.S. 0+00 to E.S. 10+44.40	1044.40/63.30

0 250 500
SCALE: 1"=500'

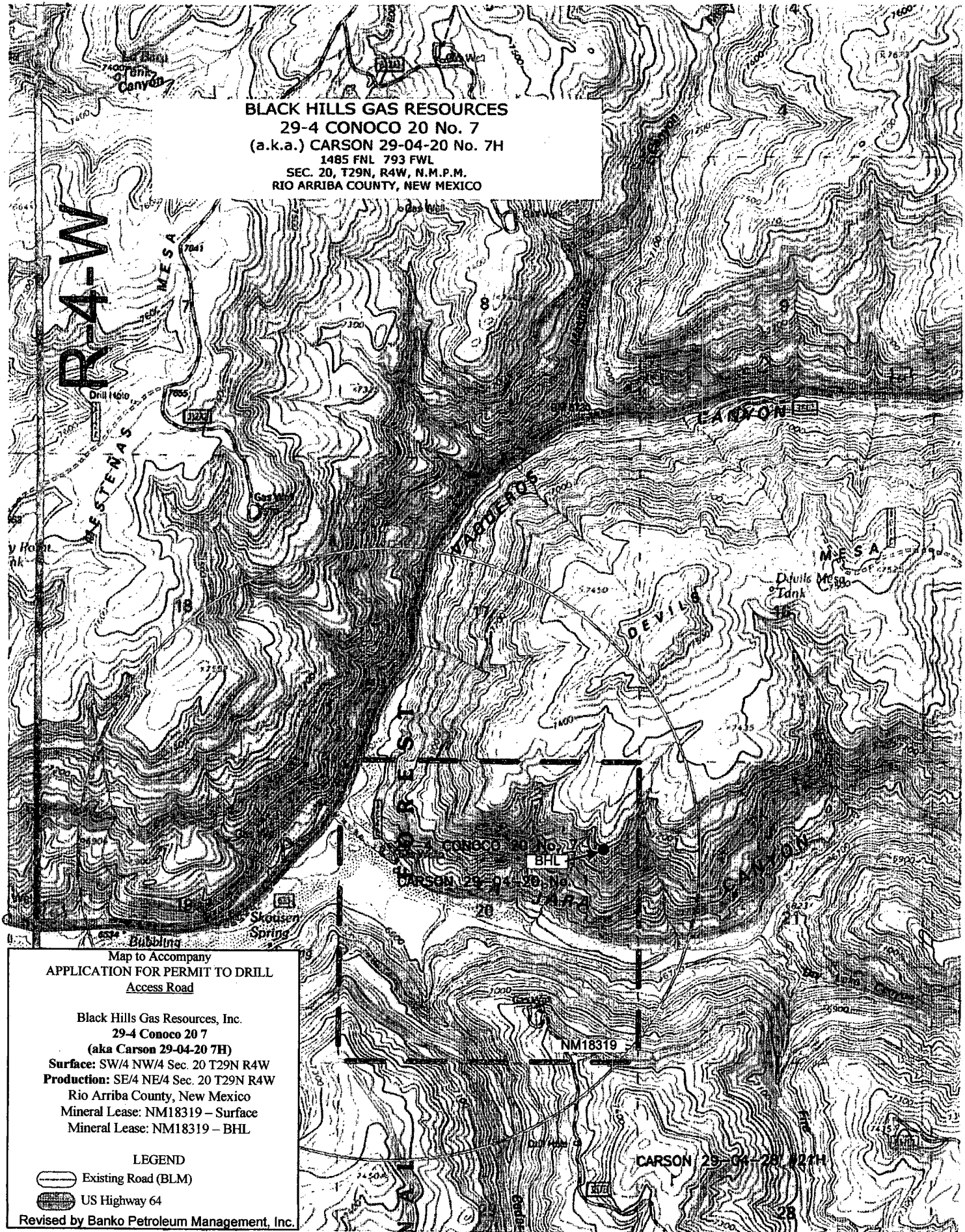
DATE: 2-14-06

I, JOHN A. VUKOVICH, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR
CERTIFY THAT THIS PLAT WAS PREPARED FROM AN ACTUAL SURVEY PERFORMED
BY ME OR UNDER MY DIRECT SUPERVISION, AND THAT THIS SURVEY AND PLAT
MEET THE PROFESSIONAL STANDARDS FOR SURVEYING IN NEW MEXICO.I FURTHER CERTIFY THAT THIS IS NOT A LAND DIVISION OR
SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT.

REVISION	REV. BY	DATE
GENERAL EDITS	B.L.	02/13/06
CHANGE TIE TO WELL	A.G.	02/09/06
 Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 Farmington, NM 87401 Phone (505) 326-1772 Fax (505) 326-6019 REGISTERED LAND SURVEYOR NEW MEXICO No. 14831		
PAGE 1 OF 1		CADFILE: MN429P01
DRAWN BY: A.G.	ROW#: MN429	DATE: 06/24/05

BLACK HILLS GAS RESOURCES
29-4 CONOCO 20 No. 7
 (a.k.a.) **CARSON 29-04-20 No. 7H**
 1485 FNL 793 FWL
 SEC. 20, T29N, R4W, N.M.P.M.
 RIO ARRIBA COUNTY, NEW MEXICO

R-4-W



Map to Accompany
APPLICATION FOR PERMIT TO DRILL
Access Road

Black Hills Gas Resources, Inc.
 29-4 Conoco 20 7
 (aka Carson 29-04-20 7H)
 Surface: SW/4 NW/4 Sec. 20 T29N R4W
 Production: SE/4 NE/4 Sec. 20 T29N R4W
 Rio Arriba County, New Mexico
 Mineral Lease: NM18319 – Surface
 Mineral Lease: NM18319 – BHL

LEGEND

- Existing Road (BLM)
- US Highway 64

Revised by Banko Petroleum Management, Inc.