

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2006 MAR 13 NM18323 01

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.

5. LEASE SERIAL NO. NM18323 01
6. IF INDIAN ALLOTTEE OR TRIBE NAME
7. IF UNIT OR CO. AGREEMENT DESIGNATION

SUBMIT IN TRIPLICATE

1. TYPE OF WELL Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: _____	8. WELL NAME AND NO. 29-4 Conoco 24 4 (aka Carson 29-04-24 4H)
2. NAME OF OPERATOR Black Hills Gas Resources, Inc.	9. API WELL NO. 30-039-20648
3. ADDRESS AND TELEPHONE NO. P. O. Box 249 Bloomfield NM 87413 CONTACT: Lynn Benally PHONE: 505.634.1111 Fax: 505.634.1116	10. FIELD AND POOL OR EXPLORATORY AREA <i>Chozamesa PC</i> Banko Petroleum Management Inc. Gas Pool
4. LOCATION OF WELL (Footage, T, R, M, or Survey Description) 1,100' FSL 1,485' FWL Sec. 24 T 29N R 4W	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	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"/> Alter Casing	<input type="checkbox"/> Reclamation	<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 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 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 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 June 6, 1973. The APD was given API#30-039-20648.

Black Hills Gas Resources, Inc. (BHGR) proposes to ^{recomplete} re-enter and horizontally drill this location with a southeasterly lateral bore. End of lateral bore is anticipated to be 800' FSL 548' FEL of Sec. 24 T29N R4W. Please find attached: Revised Drilling Program, BOP Diagram, Hydrogen Sulfide Drilling Operations Plan and Horizontal Drilling plan.
Please send a copy of all correspondence 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.
NMB000230

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 <i>Kathy L. Schneebeck</i>	Date: March 10, 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE.

Approved by <i>Matt Hallett</i>	Title <i>PETE ENG</i>	Date <i>3/23/06</i>
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 <i>BLM-FFO</i>	

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 ON FOR *directional surveys*
NMOCD

68 88

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. 2006 MAR 13 PM 1
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

RECEIVED ☐ AMENDED REPORT

070 FARMINGTON NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name 29-4 CONOCO 24			6 Well Number 4
7 OGRID No.		8 Operator Name BLACK HILLS GAS RESOURCES			9 Elevation 7025

10 Surface Location

UL or lot no. N	Section 24	Township 29-N	Range 4-W	Lot Idn	Feet from the 1100	North/South line SOUTH	Feet from the 1485	East/West line WEST	County RIO ARRIBA
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11 Bottom Hole Location If Different From Surface

UL or lot no. P	Section 24	Township 29-N	Range 4-W	Lot Idn	Feet from the 800	North/South line SOUTH	Feet from the 548	East/West line EAST	County RIO ARRIBA
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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.		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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Kathy L. Schneebeck Signature Kathy L. Schneebeck Printed Name Permit Agent for Black Hills Gas Resources kathys@banko1.com Title and Email address March 10, 2006 Date	
5246.53' (C)		24		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. MA Date of Survey Signature and Title of Surveyor: JOHN E. VANCE NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 14831 2-20-06 Certificate Number	
N 00-13-33 E		LAT. 36.70608° N (NAD 83) LONG. 107.20997° W (NAD 83)			
1485'		S 89-25-12 E		5168.42' (C)	
CALC. CORNER BY DBL. PROP.		1100'		B.H.L. 548' 800' FD. 2 1/2" B.C. G.L.O. 1917	

Black Hills Gas Resources, Inc.
29-4 Conoco 24 4 (aka Carson 29-04-24 4H)
API #30-039-20648
Surface: 1,100' FSL 1,485' FWL (SE/4 SW/4)
End of Horizontal Hole: 800' FSL 548' FEL (SE/4 SE/4)
Sec. 24 T29N R4W
Rio Arriba County, New Mexico
Lease: NM18323

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 24 4 (aka Carson 29-04-24 4H) 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 – 7,025' 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
Fruitland	3,420'	Sandstone, shales and siltstones
Pictured Cliffs	3,697'	Sandstone, shales and siltstones

TOTAL DEPTH 3,695.08' TVD (end of horizontal hole) 3,149.30' TVD (anticipated horizontal section)
6,875.75' MD

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

San Jose	1,300'	Gas
Fruitland	3,420'	Gas
Pictured Cliffs	3,697'	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) Retrievable whipstock to be set at $\pm 3,679'$.
- D) Window to be milled out of 7" csg at $\pm 3,675'$.
- E) Kick-off Point is estimated to be at 3,675' based on collar locations.

CASING PROGRAM

True Vertical Depth	Hole Diameter	Casing Diameter	Casing Weight and Grade	Cement
0' – 446'	15"	10-3/4"	J-55 40.5# ST&C	To surface (previously set)
0' – 7,055'	8-3/4"	7"	K-55 23# ST&C	To surface (previously set)
3,675' – 6,875.75' (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

3,675' - 6,875.75' 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: 1,145 psi

ANTICIPATED START DATE

April 6, 2006

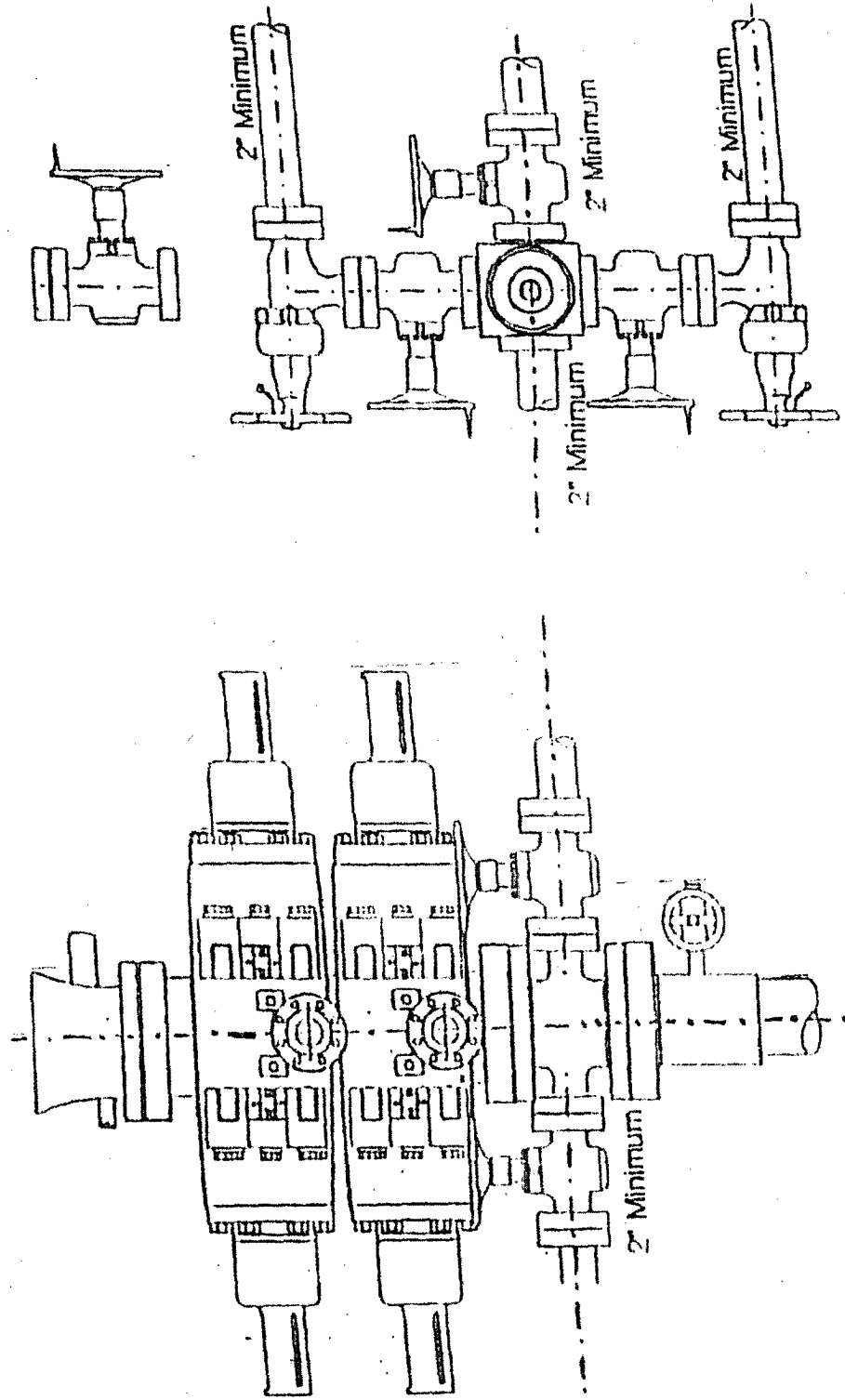
COMPLETION

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, if necessary, 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.

Black Hills Gas Resources, Inc.

- 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: 61xxx
Company: Black Hills EP
Lease/Well: Carson 29-04-24 #4H
Location: Rio Arriba Co., NM
Rig Name:
RKB: ☐
G.L. or M.S.L.: ☐

State/Country: NM/USA
Declination:
Grid:
File name: N:\BLACKH~1\2006\CARSON~2\290428.SVY
Date/Time: 24-Feb-06 / 11:56
Curve Name: Carson 29-04-24#4H Original

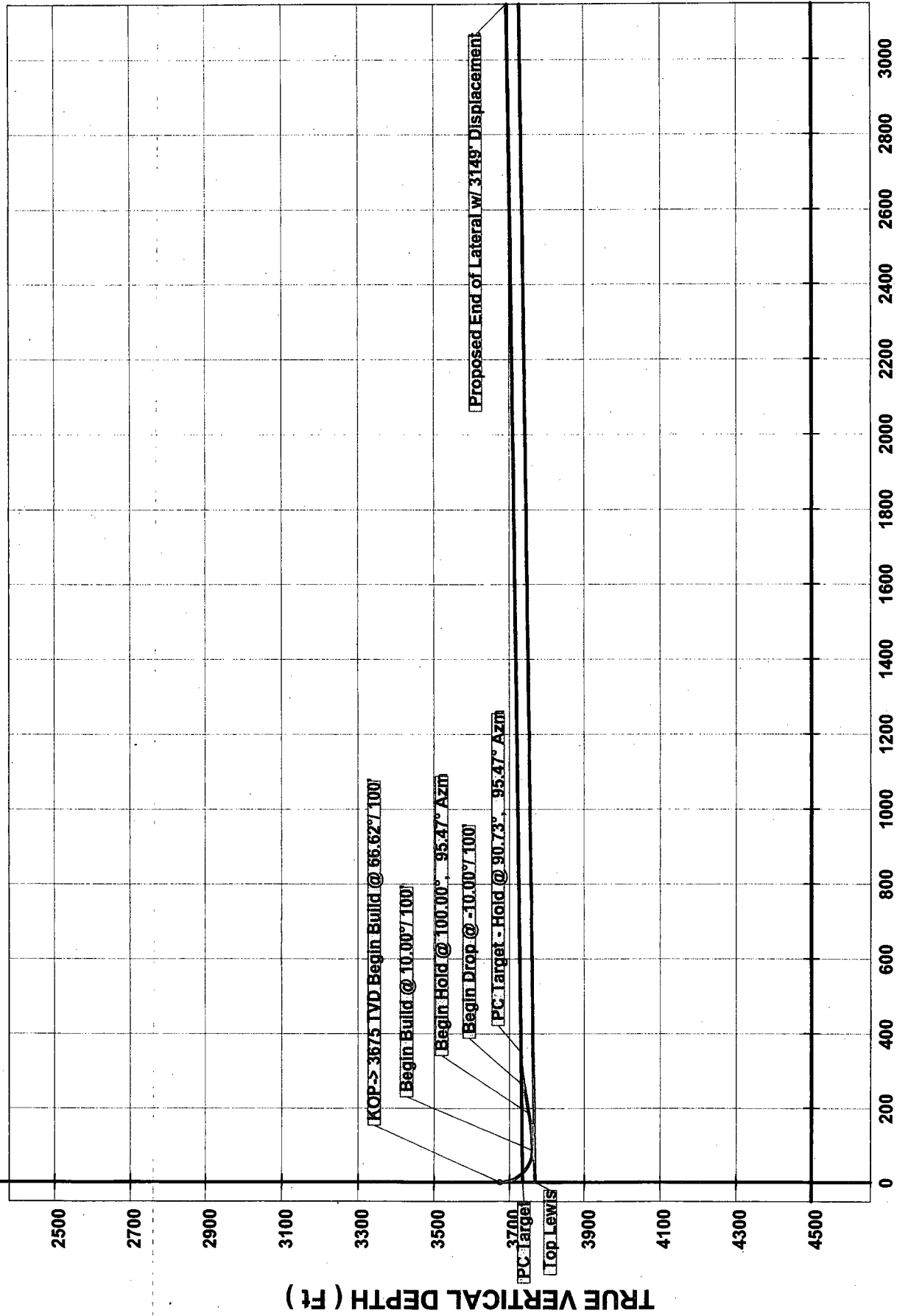
WINSERVE PROPOSAL REPORT
Minimum Curvature Method
Vertical Section Plane 95.47
Vertical Section Referenced to Wellhead
Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE Distance FT	Direction Deg	Dogleg Severity Deg/100
KOP-> 3675 TVD Begin Build @ 66.62°/ 100'									
3675.00	.00	95.47	3675.00	.00	.00	.00	.00	.00	.00
3685.00	6.66	95.47	3684.98	.58	-.06	.58	.58	95.47	66.62
3695.00	13.32	95.47	3694.82	2.32	-.22	2.30	2.32	95.47	66.62
3705.00	19.99	95.47	3704.40	5.18	-.49	5.16	5.18	95.47	66.62
3715.00	26.65	95.47	3713.57	9.14	-.87	9.09	9.14	95.47	66.62
3725.00	33.31	95.47	3722.23	14.13	-1.35	14.07	14.13	95.47	66.62
3735.00	39.97	95.47	3730.25	20.09	-1.92	20.00	20.09	95.47	66.62
3745.00	46.64	95.47	3737.52	26.95	-2.57	26.83	26.95	95.47	66.62
3755.00	53.30	95.47	3743.95	34.60	-3.30	34.44	34.60	95.47	66.62
3765.00	59.96	95.47	3749.45	42.95	-4.09	42.75	42.95	95.47	66.62
3775.00	66.62	95.47	3753.94	51.88	-4.95	51.64	51.88	95.47	66.62
3785.00	73.28	95.47	3757.37	61.27	-5.84	60.99	61.27	95.47	66.62
3795.00	79.95	95.47	3759.68	70.99	-6.77	70.67	70.99	95.47	66.62
3805.00	86.61	95.47	3760.85	80.91	-7.71	80.55	80.91	95.47	66.62
Begin Build @ 10.00°/ 100'									
3810.09	90.00	95.47	3761.00	86.00	-8.20	85.61	86.00	95.47	66.62
3820.09	91.00	95.47	3760.91	96.00	-9.15	95.56	96.00	95.47	10.00
3830.09	92.00	95.47	3760.65	106.00	-10.10	105.51	106.00	95.47	10.00
3840.09	93.00	95.47	3760.22	115.99	-11.06	115.46	115.99	95.47	10.00
3850.09	94.00	95.47	3759.60	125.97	-12.01	125.39	125.97	95.47	10.00
3860.09	95.00	95.47	3758.82	135.94	-12.96	135.32	135.94	95.47	10.00
3870.09	96.00	95.47	3757.86	145.89	-13.91	145.23	145.89	95.47	10.00
3880.09	97.00	95.47	3756.73	155.83	-14.85	155.12	155.83	95.47	10.00
3890.09	98.00	95.47	3755.42	165.74	-15.80	164.99	165.74	95.47	10.00

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								
3900.09	99.00	95.47	3753.95	175.63	-16.74	174.83	175.63	95.47	10.00
Begin Hold @ 100.00°, 95.47° Azm									
3910.09	100.00	95.47	3752.30	185.49	-17.68	184.65	185.49	95.47	10.00
Begin Drop @ -10.00°/ 100'									
3983.80	100.00	95.47	3739.50	258.09	-24.60	256.91	258.09	95.47	.00
3993.80	99.00	95.47	3737.85	267.95	-25.54	266.73	267.95	95.47	10.00
4003.80	98.00	95.47	3736.37	277.84	-26.48	276.57	277.84	95.47	10.00
4013.80	97.00	95.47	3735.06	287.75	-27.43	286.44	287.75	95.47	10.00
4023.80	96.00	95.47	3733.93	297.69	-28.38	296.33	297.69	95.47	10.00
4033.80	95.00	95.47	3732.97	307.64	-29.33	306.24	307.64	95.47	10.00
4043.80	94.00	95.47	3732.19	317.61	-30.28	316.17	317.61	95.47	10.00
4053.80	93.00	95.47	3731.58	327.59	-31.23	326.10	327.59	95.47	10.00
4063.80	92.00	95.47	3731.14	337.58	-32.18	336.05	337.58	95.47	10.00
4073.80	91.00	95.47	3730.88	347.58	-33.13	346.00	347.58	95.47	10.00
PC Target - Hold @ 90.73°, 95.47° Azm									
4076.51	90.73	95.47	3730.84	350.29	-33.39	348.69	350.29	95.47	10.00
4076.53	90.73	95.47	3730.84	350.30	-33.39	348.71	350.30	95.47	1.39
4176.53	90.73	95.47	3729.56	450.30	-42.92	448.24	450.30	95.47	.00
4276.53	90.73	95.47	3728.28	550.29	-52.46	547.78	550.29	95.47	.00
4376.53	90.73	95.47	3727.00	650.28	-61.99	647.32	650.28	95.47	.00
4476.53	90.73	95.47	3725.73	750.27	-71.52	746.85	750.27	95.47	.00
4576.53	90.73	95.47	3724.45	850.26	-81.05	846.39	850.26	95.47	.00
4676.53	90.73	95.47	3723.17	950.25	-90.58	945.93	950.25	95.47	.00
4776.53	90.73	95.47	3721.89	1050.25	-100.11	1045.46	1050.25	95.47	.00
4876.53	90.73	95.47	3720.62	1150.24	-109.65	1145.00	1150.24	95.47	.00
4976.53	90.73	95.47	3719.34	1250.23	-119.18	1244.54	1250.23	95.47	.00
5076.53	90.73	95.47	3718.06	1350.22	-128.71	1344.07	1350.22	95.47	.00
5176.53	90.73	95.47	3716.79	1450.21	-138.24	1443.61	1450.21	95.47	.00
5276.53	90.73	95.47	3715.51	1550.21	-147.77	1543.15	1550.21	95.47	.00
5376.53	90.73	95.47	3714.23	1650.20	-157.30	1642.68	1650.20	95.47	.00
5476.53	90.73	95.47	3712.95	1750.19	-166.84	1742.22	1750.19	95.47	.00
5576.53	90.73	95.47	3711.68	1850.18	-176.37	1841.76	1850.18	95.47	.00
5676.53	90.73	95.47	3710.40	1950.17	-185.90	1941.29	1950.17	95.47	.00
5776.53	90.73	95.47	3709.12	2050.16	-195.43	2040.83	2050.16	95.47	.00
5876.53	90.73	95.47	3707.84	2150.16	-204.96	2140.37	2150.16	95.47	.00
5976.53	90.73	95.47	3706.57	2250.15	-214.49	2239.90	2250.15	95.47	.00
6076.53	90.73	95.47	3705.29	2350.14	-224.03	2339.44	2350.14	95.47	.00
6176.53	90.73	95.47	3704.01	2450.13	-233.56	2438.98	2450.13	95.47	.00
6276.53	90.73	95.47	3702.74	2550.12	-243.09	2538.51	2550.12	95.47	.00
6376.53	90.73	95.47	3701.46	2650.12	-252.62	2638.05	2650.12	95.47	.00
6476.53	90.73	95.47	3700.18	2750.11	-262.15	2737.58	2750.11	95.47	.00
6576.53	90.73	95.47	3698.90	2850.10	-271.68	2837.12	2850.10	95.47	.00
6676.53	90.73	95.47	3697.63	2950.09	-281.22	2936.66	2950.09	95.47	.00

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	
6776.53	90.73	95.47	3696.35	3050.08	-290.75	3036.19	3050.08	95.47	.00
Proposed End of Lateral w/ 3149' Displacement									
6875.75	90.73	95.47	3695.08	3149.30	-300.21	3134.95	3149.30	95.47	.00

Job Number: 61xxx
Company: Black Hills EP
Lease/Well: Carson 29-04-24 #4H
Location: Rio Arriba Co., NM



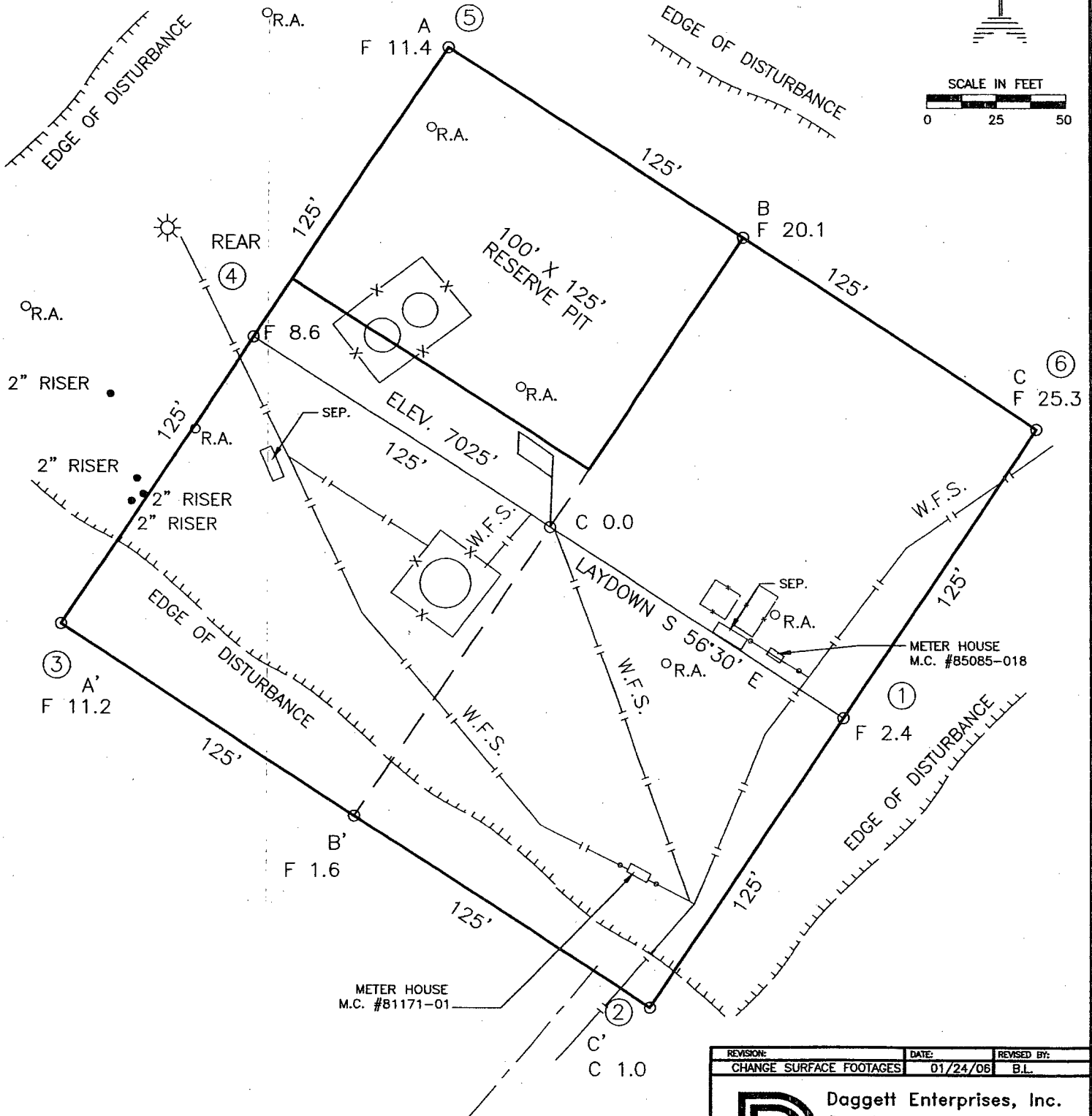
VERTICAL SECTION (Ft) @ 95.47°

WELL PAD DIAGRAM

COMPANY: BLACK HILLS GAS RESOURCES
 LEASE: 29-4 CONOCO 24 No. 4 (aka CARSON 29-04-24 No. 4H)
 FOOTAGE: 1100 FSL 1485 FWL
 SEC.: 24 TWN: 29-N RNG: 4-W, NMPM
 ELEVATION: 7025'




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	01/24/08	B.L.
 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.	CADFILE: MN431PLB	
ROW#: MN431	DATE: 06/14/05	

WELL PAD CROSS-SECTIONAL DIAGRAM

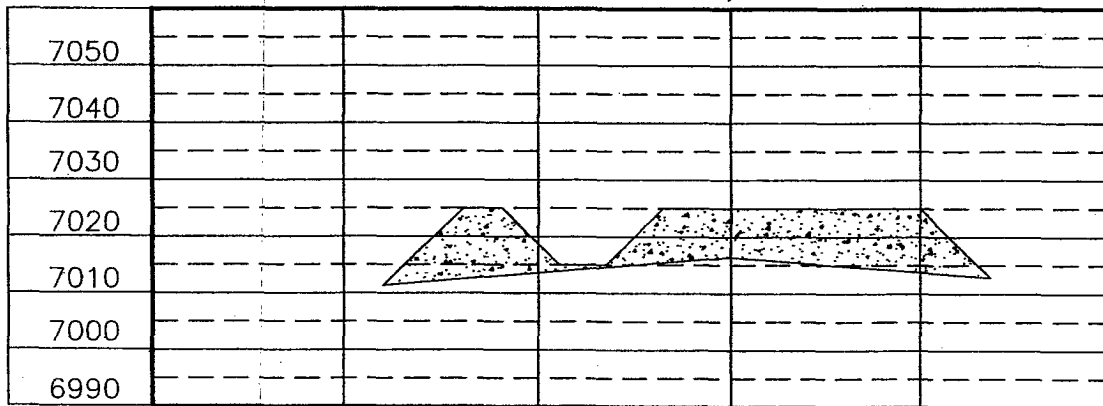
COMPANY: BLACK HILLS GAS RESOURCES
 LEASE: 29-4 CONOCO 24 No. 4 (aka CARSON 29-04-24 No. 4H)
 FOOTAGE: 1100 FSL 1485 FWL
 SEC.: 24, TWN: 29-N, RNG: 4-W, NMPM
 ELEVATION: 7025'

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.

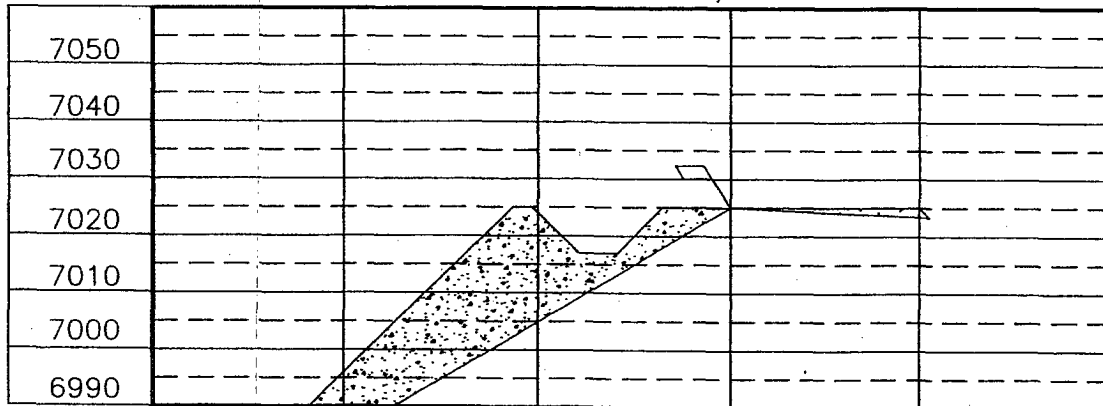
ELEV. A-A'

C/L



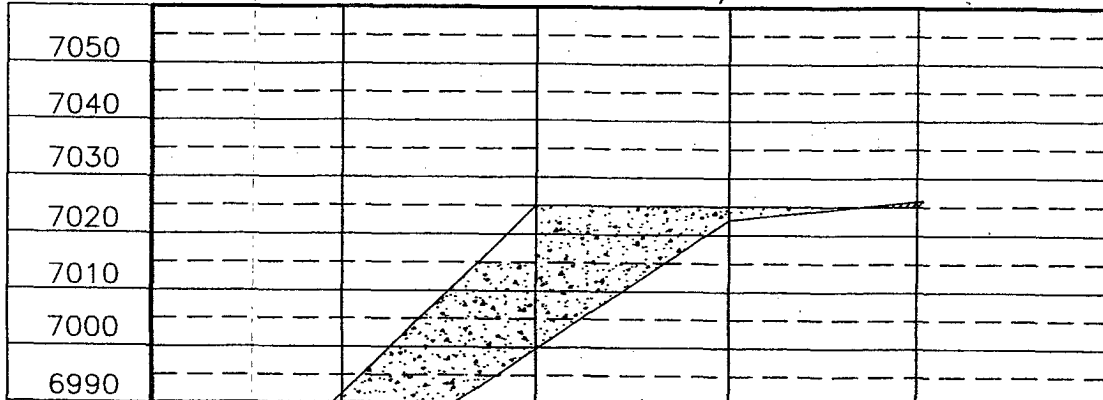
ELEV. B-B'

C/L



ELEV. C-C'

C/L



REF. DWG. MN431PLB WELL PAD DIAGRAM

REVISION:	DATE:	REVISION:	DATE:
CHANGE SURFACE FOOTAGES	01/24/06	BL	
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 CAPFILE MN431C/FB DRAWN BY: G.V. ROW# MN431			



A PRELIMINARY SURVEY BEING A CENTERLINE SURVEY OF U.S.F.S. ROAD No. 300 FOR

BLACK HILLS GAS RESOURCES

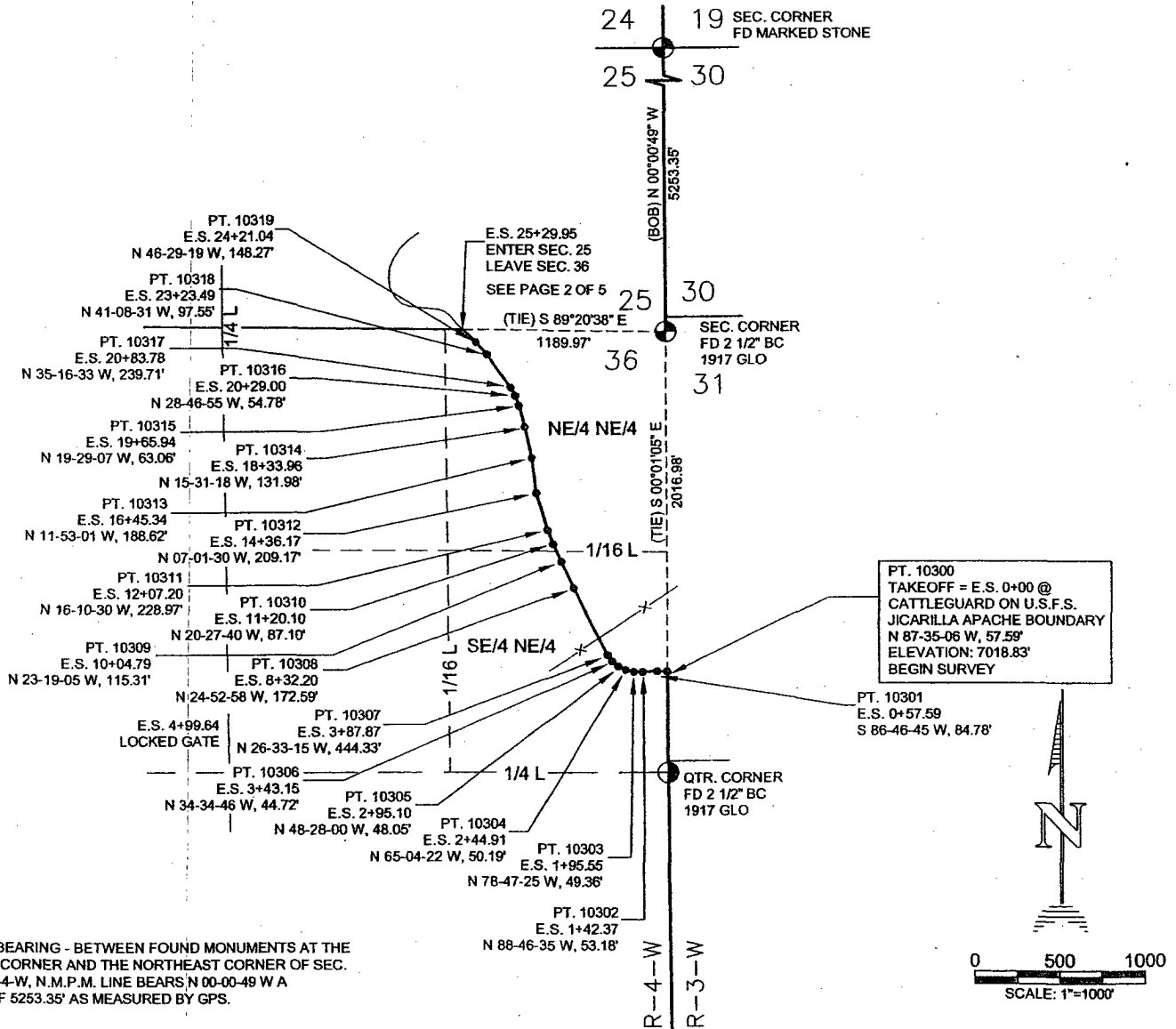
29-4 CONOCO 24 No. 4 ACCESS ROAD (a.k.a.) CARSON 29-04-24 No. 4H

SE/4 NE/4, NE/4 NE/4 OF SEC. 36, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

SE/4 SE/4, SW/4 SE/4, NW/4 SE/4, SW/4 NE/4, SE/4 NW/4, SW/4 NW/4, NE/4 NW/4 OF
SEC. 25, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

SE/4 SW/4 OF SEC. 24, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

LOCATED SOUTHWEST OF DULCE,
RIO ARriba COUNTY, NEW MEXICO



NOTES:

1) BASIS OF BEARING - BETWEEN FOUND MONUMENTS AT THE SOUTHEAST CORNER AND THE NORTHEAST CORNER OF SEC. 25, T-29-N, R-4-W, N.M.P.M. LINE BEARS N 00-00-49 W A DISTANCE OF 5253.35' AS MEASURED BY GPS.

2) DATE OF SURVEY: JUNE 18, 2005


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

DATE: 11-10-05

I, JOHN A. MURKINCH, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT THIS SURVEY WAS PREPARED FROM AN ACTUAL SURVEY PERFORMED BY ME OR UNDER MY DIRECTION, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM 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.

OWNER	STATION	FT./RODS
U.S.F.S.	E.S. 0+00 TO E.S. 25+29.95	2529.95/153.33

REVISION	REV. BY	DATE
CHANGE TITLE	B. L.	11/10/05
		
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 5	CADFILE: MN431P01	
DRAWN BY: A.G.	ROW#: MN431	DATE: 09/06/05

A PRELIMINARY SURVEY BEING A CENTERLINE SURVEY OF U.S.F.S. ROAD No. 300 FOR

BLACK HILLS GAS RESOURCES

29-4 CONOCO 24 No. 4 ACCESS ROAD (a.k.a.) CARSON 29-04-24 No. 4H

SE/4 NE/4, NE/4 NE/4 OF SEC. 36, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

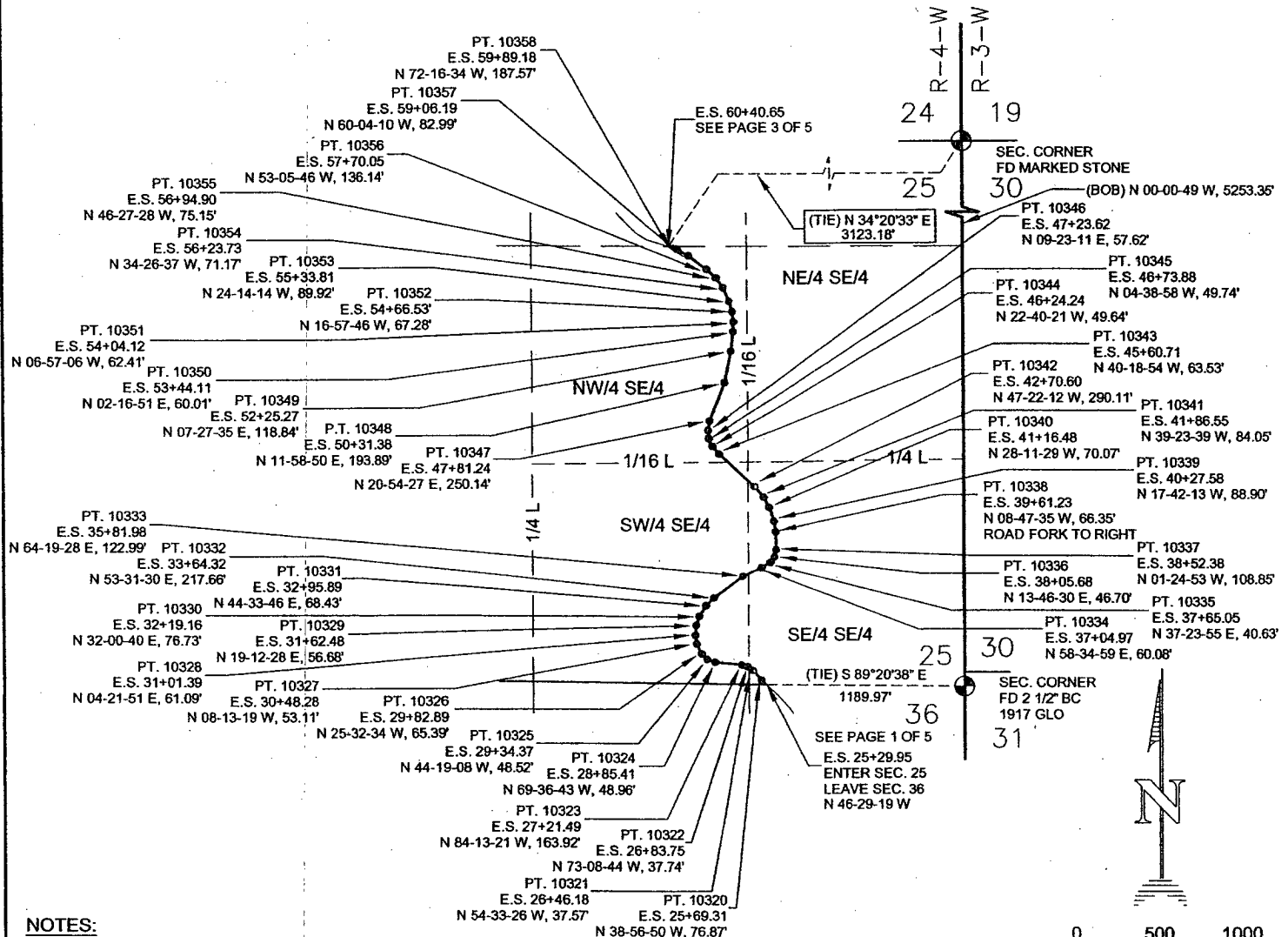
SE/4 SE/4, SW/4 SE/4, NW/4 SE/4, SW/4 NE/4, SE/4 NW/4, SW/4 NW/4, NE/4 NW/4 OF

SEC. 25, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

SE/4 SW/4 OF SEC. 24, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

LOCATED SOUTHWEST OF DULCE,

RIO ARriba COUNTY, NEW MEXICO



NOTES:

1) BASIS OF BEARING - BETWEEN FOUND MONUMENTS AT THE SOUTHEAST CORNER AND THE NORTHEAST CORNER OF SEC. 25, T-29-N, R-4-W, N.M.P.M. LINE BEARS N 00-00-49 W A DISTANCE OF 5253.35' AS MEASURED BY GPS.

2) DATE OF SURVEY: 11-10-05

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




DATE: 11-10-05

I, JOHN A. VUKOBRA TOVIC, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT THIS PLAT WAS PREPARED FROM AN ACTUAL SURVEY PERFORMED BY ME OR UNDER MY DIRECTION, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM 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.

OWNER	STATION	FT./RODS
U.S.F.S.	E.S. 25+29.95 TO E.S. 60+40.65	3510.70/212.77

REVISION	REV. BY	DATE
CHANGE TITLE	B. L.	11/10/05
 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 2 OF 5		CADFILE: MN431P02
DRAWN BY: A.G.	ROW#: MN431	DATE: 09/07/05

A PRELIMINARY SURVEY BEING A CENTERLINE SURVEY OF U.S.F.S. ROAD No. 300 FOR

BLACK HILLS GAS RESOURCES

29-4 CONOCO 24 No. 4 ACCESS ROAD (a.k.a.) CARSON 29-04-24 No. 4H

SE/4 NE/4, NE/4 NE/4 OF SEC. 36, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

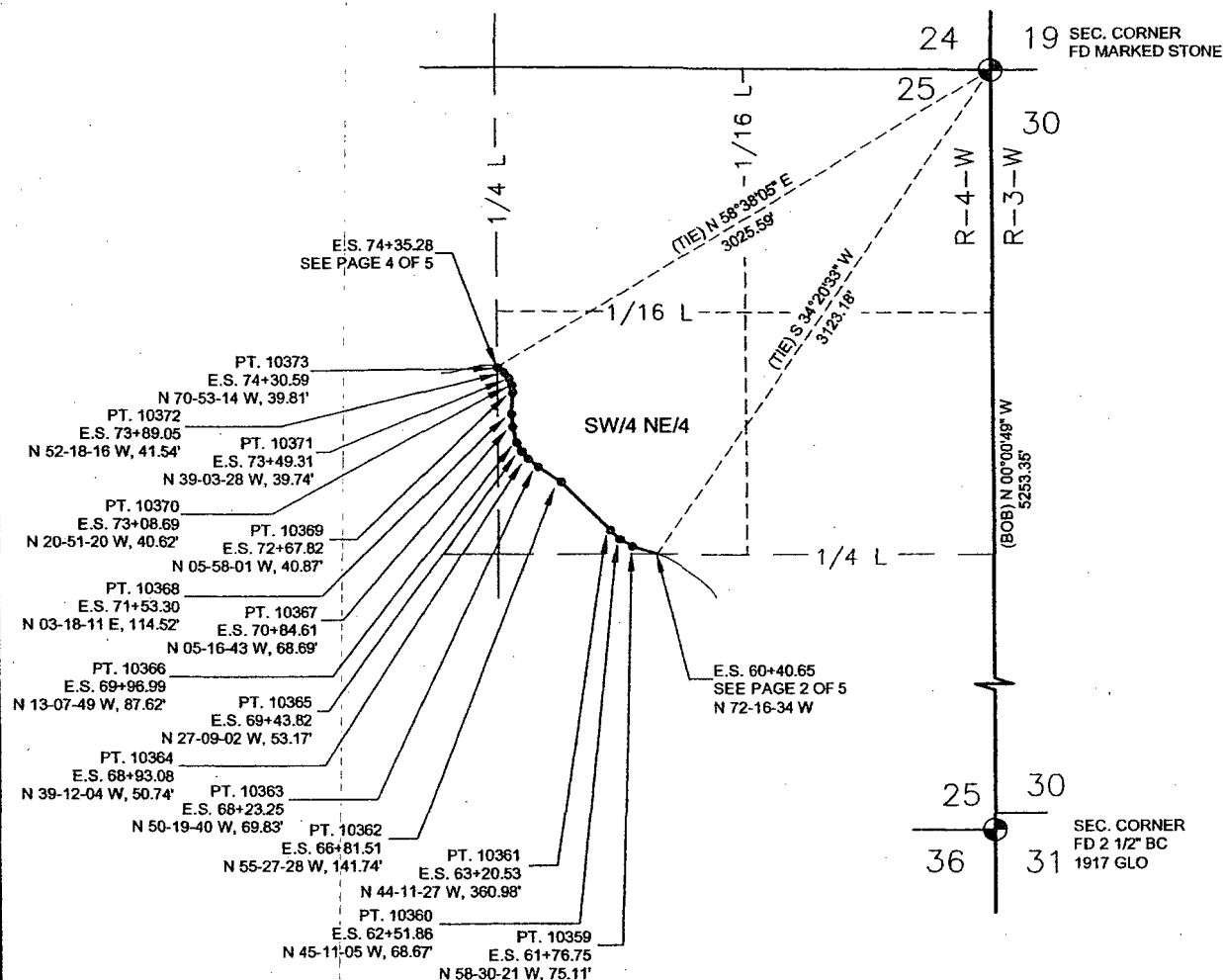
SE/4 SE/4, SW/4 SE/4, NW/4 SE/4, SW/4 NE/4, SE/4 NW/4, SW/4 NW/4, NE/4 NW/4 OF

SEC. 25, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

SE/4 SW/4 OF SEC. 24, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

LOCATED SOUTHWEST OF DULCE,

RIO ARriba COUNTY, NEW MEXICO




NOTES:

1) BASIS OF BEARING - BETWEEN FOUND MONUMENTS AT THE SOUTHEAST CORNER AND THE NORTHEAST CORNER OF SEC. 25, T-29-N, R-4-W, N.M.P.M. LINE BEARS N 00-00-49 W A DISTANCE OF 5253.35' AS MEASURED BY GPS.

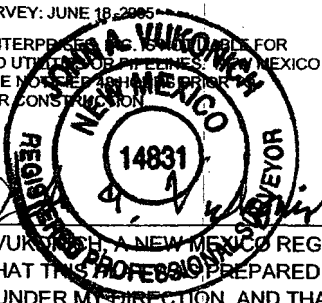
2) DATE OF SURVEY: JUNE 18, 2005

3) DAGGETT ENTERPRISES, INC. IS NOT RESPONSIBLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED PRIOR TO ANY EXCAVATION OR CONSTRUCTION.

OWNER	STATION	FT./RODS
U.S.F.S.	E.S. 60+40.65 TO E.S. 74+35.28	1394.63/84.52

REVISION	REV. BY	DATE
CHANGE TITLE	B. L.	11/10/05
 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 3 OF 5		CADFILE: MN431P03
DRAWN BY: A.G.	ROW#: MN431	DATE: 09/07/05

DAGGETT FORM/PHOTO/AN REV.02/04



DATE: 11-10-05

I, JOHN A. VUKOVICH, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT THIS PROFESSIONAL SURVEY PREPARED FROM AN ACTUAL SURVEY PERFORMED BY ME OR UNDER MY DIRECTION, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM 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.

A PRELIMINARY SURVEY BEING A CENTERLINE SURVEY OF U.S.F.S. ROAD No. 300 FOR

BLACK HILLS GAS RESOURCES

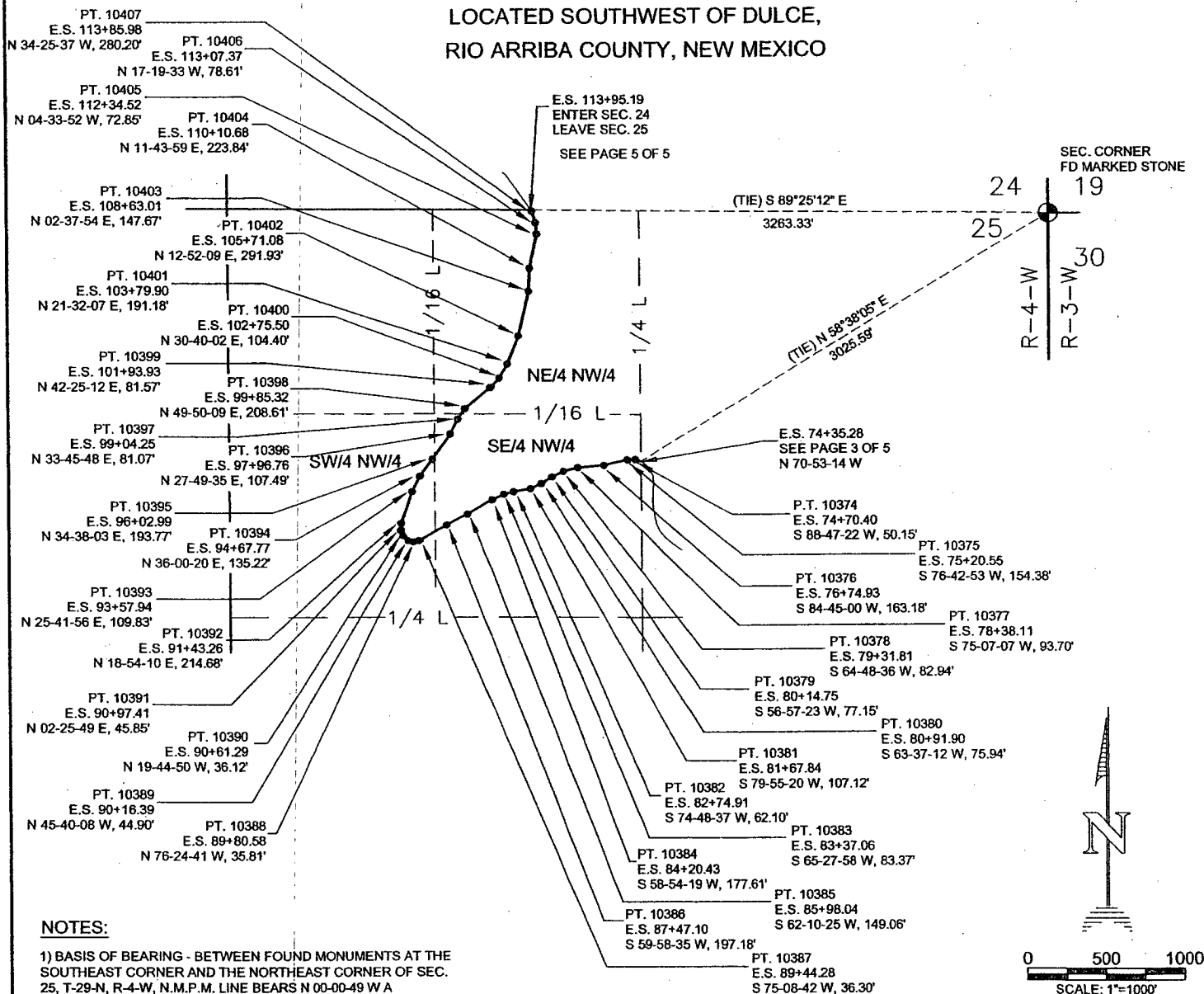
29-4 CONOCO 24 No. 4 ACCESS ROAD (a.k.a.) CARSON 29-04-24 No. 4H

SE/4 NE/4, NE/4 NE/4 OF SEC. 36, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

SE/4 SE/4, SW/4 SE/4, NW/4 SE/4, SW/4 NE/4, SE/4 NW/4, SW/4 NW/4, NE/4 NW/4 OF
SEC. 25, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

SE/4 SW/4 OF SEC. 24, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

LOCATED SOUTHWEST OF DULCE,
RIO ARriba COUNTY, NEW MEXICO



NOTES:

1) BASIS OF BEARING - BETWEEN FOUND MONUMENTS AT THE SOUTHEAST CORNER AND THE NORTHEAST CORNER OF SEC. 25, T-29-N, R-4-W, N.M.P.M. LINE BEARS N 00-00-49 W A DISTANCE OF 5253.35' AS MEASURED BY GPS.


2) DATE OF SURVEY: JUNE 18, 2005

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

I, JOHN A. VUKONICH, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT THIS PLAT WAS PREPARED FROM AN ACTUAL SURVEY PERFORMED BY ME OR UNDER MY DIRECTION, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM 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.

OWNER	STATION	FT./RODS
U.S.F.S.	E.S. 74+35.28 TO E.S. 113+95.19	3959.91/239.99

REVISION	REV. BY	DATE
CHANGE TITLE	B. L.	11/10/05
 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 4 OF 5		CADFILE: MN431P04
DRAWN BY: A.G.	ROW#: MN431	DATE: 09/8/05

A PRELIMINARY SURVEY BEING A CENTERLINE SURVEY OF U.S.F.S. ROAD No. 300 FOR

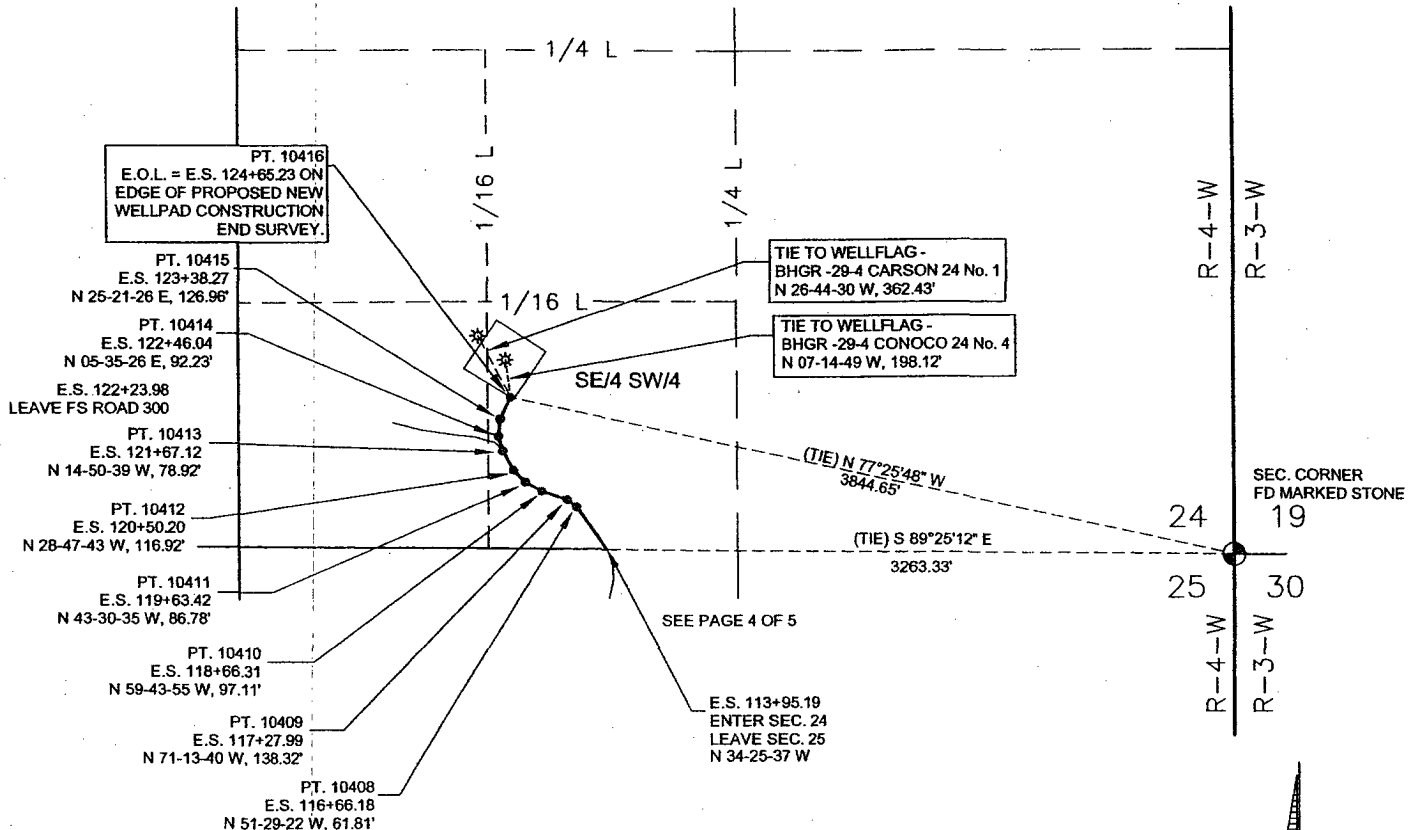
BLACK HILLS GAS RESOURCES 29-4 CONOCO 24 No. 4 ACCESS ROAD (a.k.a.) CARSON 29-04-24 No. 4H

SE/4 NE/4, NE/4 NE/4 OF SEC. 36, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

SE/4 SE/4, SW/4 SE/4, NW/4 SE/4, SW/4 NE/4, SE/4 NW/4, SW/4 NW/4, NE/4 NW/4 OF
SEC. 25, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

SE/4 SW/4 OF SEC. 24, TOWNSHIP 29 NORTH, RANGE 4 WEST, N.M.P.M.

LOCATED SOUTHWEST OF DULCE,
RIO ARriba COUNTY, NEW MEXICO

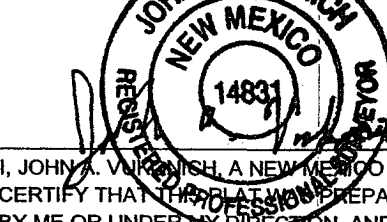


NOTES:

1) BASIS OF BEARING - BETWEEN FOUND MONUMENTS AT THE SOUTHEAST CORNER AND THE NORTHEAST CORNER OF SEC. 25, T-29-N, R-4-W, N.M.P.M. LINE BEARS N 00-00-49 W A DISTANCE OF 5253.35' AS MEASURED BY GPS.

2) DATE OF SURVEY: JUNE 18, 2005

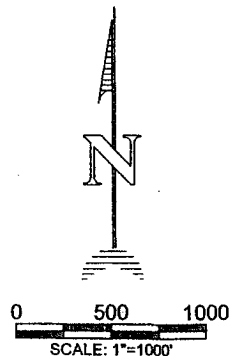
3) DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED PRIOR TO EXCAVATION OF CONSTRUCTION.




DATE: 11-10-05

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 DIRECTION, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM 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.



OWNER	STATION	FT./RODS
U.S.F.S.	E.S. 113+95.19 TO E.S. 124+65.23	1070.04/64.85
TOTAL PAGES 1 TRU 5		12465.23/755.47

REVISION	REV. BY	DATE
CHANGE TITLE	B. L.	11/10/05
 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 5 OF 5		CADFILE: MN431P05
DRAWN BY: A.G.	ROW#: MN431	DATE: 09/08/05

BLACK HILLS GAS RESOURCES
29-4 CONOCO 24 No. 4
 (aka CARSON 29-4-24 No. 4H)
 1100 FSL 1485 FWL
 SEC. 24, T29N, R4W, N.M.P.M.
 RIO ARriba COUNTY, NEW MEXICO

Map to Accompany
APPLICATION FOR PERMIT TO DRILL
Access Road

Black Hills Gas Resources, Inc.
29-4 Conoco 24 4
(aka Carson 29-04-24 4H)
Surface: SE/4 SW/4 Sec. 24 T29N R4W
Production: SE/4 SE/4 Sec. 24 T29N R4W
Rio Arriba County, New Mexico
Surface Lease: NM18323
Mineral Lease: NM18323

LEGEND

Existing Road (USFS)

Revised by Banko Petroleum Management, Inc.

