Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 200

Lease Senal No.	
TT C 1/0	

6.	If Indian,	Allottee	or Tribe	Name

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.					6. If Indian, Allottee or Tribe Name Jicarilla Apache Nation			
SUBMIT IN TRIPLICATE- Other instructions on reverse side.					it or CA/A	greement, Name and/or No.		
1. Type of Well Gas Well Other					8. Well Name and No. Jicarilla 462-23 #12			
2. Name of Operator Black Hills Gas Resources, Inc.					Well No. 039-29322			
3a Address 350 Indiana Street, Suite 400, 0	Golden, CO 80401	720-210-133	(include area code) 38		10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec.,			East Blanco; Pictured Cliffs					
505' FNL & 1740' FWL (BHL: 1000' FNL & 600' FEL) Sec. 23, 30N-03W, Unit C					11. County or Parish, State Rio Arriba Co., NM			
12. CHECK AI	PROPRIATE BOX(ES) TO	INDICATE N	ATURE OF NOT	ICE, REPORT,	OR OTH	ER DATA		
TYPE OF SUBMISSION	To		TYPE OF ACT	ON				
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Trea New Constru Plug and Aba Plug Back	t Reclan action Recom ndon Tempo		□ v	Vater Shut-Off Vell Integrity Other		
Attach the Bond under which the following completion of the invitesting has been completed. Fir determined that the site is ready	ctionally or recomplete horizontal ne work will be performed or provolved operations. If the operational Abandonment Notices must be	ly, give subsurface ide the Bond No. or results in a multiple filed only after all e above reference	locations and measure on file with BLM/BIA e completion or recor- requirements, including and well to the Cabi	ed and true vertical d Required subseque npletion in a new inte- ng reclamation, have	epths of all ent reports i erval, a For been comp	pertinent markers and zones. must be filed within 30 days m 3160-4 must be filed once eleted, and the operator has (San Jose formation) per		
14. I hereby certify that the fore Name (Printed/Typed)	going is true and correct	1						
Julie Stifflear			itle Engineering P	rod Tech		•		
Signature while	Stifflea		Date 5 - 0	2-200) (,			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE								
Approved by Original Signormal Conditions of approval, if any, are a certify that the applicant holds legal which would entitle the applicant to Title 18 U.S.C. Section 1001 and Title	or equitable title to those rights i conduct operations thereon.	n the subject lease	Office	willfully to make to	Date any depart	MAY 1 3 2006		

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Black Hills Gas Resources

Re Completion Procedure

For the

JICARILLA 462-23 #12H API # 30-039-29322 NE NW Sec 23, T30N – R3W Rio Arriba County, New Mexico

Lat: 36*, 48', 10" N

Long: 107*, 07', 21" W

Surface casing:

8-5/8", 24 lb/ft, Casing @ 254', TOC = surf

Production casing:

5 ½" 17 lb/ft, Casing @ 3805', TOC = 1830' (primary cement job, There were 3 subsequent squeeze jobs) See WB Dia for details.

Current prod tubing:

2 3/8" tubing to 3554'. 2 7/8" 8.7# PH-6 (with 6 perforated joints)

from 3554' to 6590' +/- MD

Current pump/ rods:

N/A

Current Production Zones:

Pictured Cliffs:

Lateral 3672'-6590' MD

Proposed Work: Pull the 2 7/8" PH-6 tubing, plug back and complete the Tertiary

- 1. MIRU Completion rig. Conduct safety meeting to review all safety aspects of the job.
- 2. ND WH, NU BOP.
- 3. Come off the ON/OFF tool and TOOH with the 2 3/8" production tubing.
- 4. MU 2 7/8" workstring with; ON/OFF tool skirt. TIH and latch on to the ON/OFF tool. Pull the PH-6 completion string. (This PH-6 is to be inspected for the effectiveness of the "new" completion technique utilizing pre-drilled holes with aluminum plugs.)
- 5. TIH and set a CIBP @ +/- 3650'. TOOH
- 6. MIRU perforating company. Shoot 4 squeeze holes @ 1275'. Shoot "suicide" squeeze holes @ 1005'.
- 7. TIH with cement retainer and set retainer @ \pm 1230'.
- 8. MIRU cementing company. Pump **70 cu ft** Type III cement. Sting out of retainer and pull up to 990' AFASP. Reverse circulate the hole clean. TOOH. WOC
- 9. Drill out cement.
- 10. MIRU perforating company, run CBL from 1500' to 100' above TOC.

10a. Swab csg down to 1085'

MIRU perforating company. Correlate with HLS Density/Neutron log dated 4-26-2005. Perforate the lower San Jose with 3 1/8" HSC and 0.34"-0.35" holes as follows:

1185-1190 (5 ft) 4/ft

Total lower San Jose perforations: 5 ft, 20 holes. Estimated frac height 15 ft.

12. TIH with workstring, packer. Set the packer @ +/- 1170'. Swab/flow test the San Jose perforations.

The results of the "natural" test will determine if the interval is to be broken down

- 13. Breakdown the lower San Jose perfs (1185-1190) with 150 gal 7 ½% HCl @ +/- 3-4 bpm. Over-displace acid by 5 bbls 2% KCl water.
- 14. Swab test the lower San Jose perfs.

The results of the breakdown will determine if the interval is to be fraced

Basedon 15.

MIRU perforating company. Correlate with HLS Density/Neutron log dated 4-26-2005. Perforate the upper San Jose with 3 1/8" HSC and 0.34"-0.35" holes as follows:

1076-1078 (2 ft) 4/ft

Total upper San Jose perforations: 2 ft, 8 holes.

16. TIH with workstring, RBP and packer. Set the RBP @ +/- 1100'. Set the packer @ +/- 1150'. Swab/flow test the upper San Jose perforations.

The results of the "natural" test will determine if the interval is to be broken down

- 17. Breakdown the upper San Jose perfs (1076-1078) with 100 gal 7 ½% HCl @ 2 bpm. Over-displace acid by 5 bbls 2% KCl water.
- 18. Swab test the upper San Jose perfs.
- 19. If lower San Jose is to be fraced TIH with treating string and packer. Set packer @ +/- 1150'. (The perforations @ 1076-1078 are not to be fraced). Rig up tubing frac flange and frac valve.