

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 reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Black Hills Gas Resources, Inc. c/o Mike Pippin LLC (Agent)

3a. Address
3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)
505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1795' FNL & 425' FEL (SE/NE) Unit H
Sec. 17, T30N, R3W**

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

5. Lease Serial No.
Jicarilla Contract 459

6. 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 459-17 #24

9. API Well No.
30-039-29324

10. Field and Pool, or Exploratory Area
**E. Blanco PC & Basin FRTC
& Cabresto Canyon Tertiary**

11. County or Parish, State
Rio Arriba County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input checked="" type="checkbox"/> Fracture Treat <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 checked="" 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 Operations (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 recompleate 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 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 recompleation 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.)

"This is part of the Permit Clean-up program for Black Hills"

7/6/05. Perf Tertiary @ 2132'-34' & 2222'-24' w/4-0.42" SPF. Total 16 holes. Breakdown each set of perfs w/acid. Fraced w/20,600# sand in 50Q foam. Tested Tertiary for 4 hrs on 1/2" choke for 362 MCF/D. Moved RBP from 2401' to 1800'. Perfed Tertiary @ 1680'-78', 1676'-74', 1598'-94', 1589'-87', 1585'-83', 1580'-78' w/4 - 0.44" SPF. Total 56 holes. Broke down perfs in 2 stages w/700 gal. 3% acid. Fraced Tertiary w/54,980# sand in 50Q foam. Clean out after frac & tested on 1/2" choke for 2 hrs for 150 MCF/D.

Set RBP @ 1540'. Shot 4 - 0.44" holes @ 350' & Squeezed w/45 cf cmt. Drill out & pressure test - failed. Re-squeezed w/11 cf cmt. Neither squeeze circulated out Bradenhead. Drilled out & pressure tested to 500 psi - OK. Release RBP @ 1540' & TOH. Release RBP @ 1800' & TOH. Ran 2-3/8" tbg & latched onto on/off tool above PKR @ 3401'. Complete as a commingled PC/FRTC below PKR and Tertiary flowing up backside above PKR. Release rig 7/23/05.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mike Pippin
Signature *Mike Pippin*
Title Petr. Engr. (Agent)
Date June 23, 2006

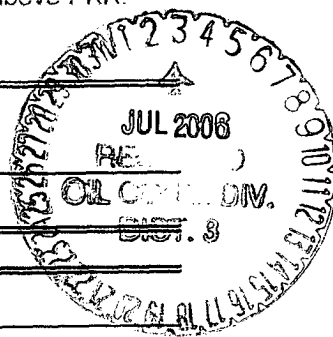
THIS SPACE FOR FEDERAL OR STATE USE

Approved by
Title
Date

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

Title 18 U.S.C. Section 1001, 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.

(Instructions on reverse)



ACCEPTED FOR RECORD

JUN 29 2006

NMOC

FARMINGTON FIELD OFFICE