

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
MDA 701-98-0013

6. If Indian, Allottee or Tribe Name
Jicarilla Apache Tribe

7. If Unit or CA/Agreement, Name and/or No.
Jicarilla 29-03-14 #32

8. Well Name and No.
Jicarilla 29-03-14 #32

9. API Well No.
30-039-29429

10. Field and Pool, or Exploratory Area
E. Blanco PC & Basin Fruitland Coal AND Rio Arriba County, New Mexico

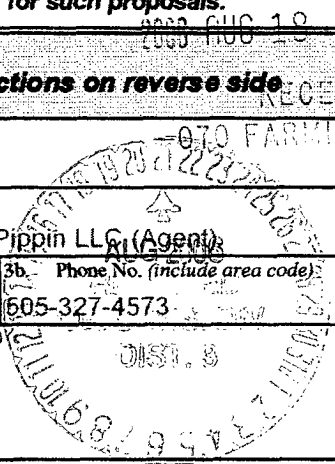
1. Type of Well
 Oil Well Gas Well Other

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)
605-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1500' FSL & 1500' FWL Unit K
Sec. 14 T29N R3W**



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 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 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 type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Spud, surface & Prod. Csg.
	<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 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 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 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.)

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

1/17/06: Spud well. Drill 12-1/4" hole to 276'. Run 8-5/8" 24# J-55 casing & set at 276'. Cement with 200 sx (236 cf) regular cement with 2% CaCl2 and 1/4# flocele. Circulate 15 bbls cement to surface. Pressure test casing to 600 psi - OK.

Drill 7-7/8" hole to 3700'. 1/22/06 - Ran 5-1/2" 15.5# J-55 casing and landed @ 3700'. Cemented with 500 sx (980 cf) 65/35 POZ with 10# gilsonite and 1/4# flocele. Tail with 150 sx (219 cf) 50/50 POZ with 3% gel, 0.5% Halad 9, 5# gilsonite, 1/4# flocele, 0.2% CFR3, 0.2% CBL. Did not circ. cmt. Plan to run CBL & pressure test during completion operations.

Permit

Name (Printed/Typed) Mike Pippin	Title Petroleum Engineer (Agent)
Signature <i>Mike Pippin</i>	Date July 26, 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

AUG 18 2006

FARMINGTON FIELD OFFICE

NMOCDD