

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.

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

RCVD DEC 7 '06
OIL CONS. DIV.
DIST. 3

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 3b. Phone No. (include area code)
3104 N. Sullivan, Farmington, NM 87401 505-327-4573

5. Lease Serial No.
Jicarilla Contract 457
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 457 #1
9. API Well No.
30-039-24106
10. Field and Pool, or Exploratory Area
Cabresto Canyon Tertiary &
East Blanco Pictured Cliffs
AND
Rio Arriba County, New Mexico

1450' FSL & 1190' FWL Unit (L)
Sec. 9, T30N, 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 Commingle
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> PC & Tertiary
	<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 recomple 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"

7/28/05. MIRUSU. TOH w/tbg. Drill BP @ 3500' & CO to 3897'. Set PKR above PC perms @ 3587' w/tbg to 3701'. On 3/1/05, tested Tertiary on-line up annulus for 2 hours for 40 MCF/D. The PC was tested on-line up the tbg for 2 hours for 50 MCF/D. TOH W/PKR. Landed 2-3/8" 4.7# J-55 tbg @ 3803'. Ran pump & rods. Released rig on 8/3/05. Completed well as a commingled Tertiary/PC gas well.

No DHC yet

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Mike Pippin Title Petroleum Engineer (Agent)
Signature Mike Pippin Date December 4, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by Joe Hewitt Title Geo Date 12-5-06
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 FDO

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)

NMOCD