

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, 1996ROVD JAN 30 2007
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

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)

2410' FSL & 1515' FWL Unit K

Sec. 10 T30N R3W

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 457-10 #708

9. API Well No.

30-039-29869

10. Field and Pool, or Exploratory Area

WC Basin Mancos

AND

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 type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Complete
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> WC Basin Mancos
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> (Part II)

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.)

On 10/25/06, perfed middle Mancos @ 7803'-05', 7768'-70', 7724'-26', 7647'-49', 7640'-42', 7585'-87', 7574'-75', 7549'-51', 7518'-20', 7509'-11', 7470'-72' w/4 spf. Total 104 holes. Broke down middle Mancos w/1428 gal 7-1/2% HCL acid & balls. Fraced middle Mancos w/83,000# super LC sand in 25# gel - screened out. Tested middle Mancos on 11/7/06 for 12 hours on 1/8" choke for 750 psi & 265 MCF/D. Set CBP @ 7450'.

On 11/8/06, perfed upper Mancos @ 7403'-06', 7354'-57', 7241'-44', 7174'-77', 7127'-30', 7096'-99', 7025'-28', 6978'-81', 6900'-03', 6822'-25'. Total 120-0.35" holes. Isolated perfs 7403'-06' & screened out frac w/7,000# Ottawa sand in formation. Isolated perfs 7354'-57' & screened out frac when sand hit perfs. Set RBP @ 7313'. Isolated perfs 7241'-44' & fraced w/2,400# LC sand in X-linked gel. Isolated perfs 6822'-7177' & screened out frac when sand hit the perfs. Retrieve RBP @ 7313'. Drill out BPs @ 7450' & 7850'. No BP @ 8010'. Tagged PBTD 8490'. Landed 2-3/8" 4.7# J-55 tbg @ 8199'. Tested all WC Basin Mancos perfs on 12/22/06 on 1/4" choke for 400 psi for 16 hrs & 611 MCF/D. Released rig 12/23/06.

Permit

Name (Printed/Typed)

Mike Pippin

Title

Petroleum Engineer (Agent)

Signature

Date

January 1, 2007

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)

NMOCD 3

ACCEPTED FOR RECORD

JAN 05 2007

FARMINGTON FIELD OFFICE
BY TL Salvers