

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Contract 460
2. Name of Operator Black Hills Gas Resources, Inc.		6. If Indian, Allottee, or Tribe Name Jicarilla Apache Tribe
3a. Address P.O. Box 249 Bloomfield, NM 87413		7. If Unit or CA. Agreement Name and/or No.
3b. Phone No. (include area code) 505-634-1111		8. Well Name and No. Jicarilla 460-21 #2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit H, Sec 21, T30N, R03W 1450' FNL & 824' FEL		9. API Well No. 30-039-25867
		10. Field and Pool, or Exploratory Area Cabresto Canyon, Tertiary
		11. County or Parish, State Rio Arriba, NM

12. CHECK APPROPRIATE BOX(S) 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"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (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 or pertinent markers and sands. Attach the Bond under which the work will be performed or provide the Bond No. on file with the 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 Notice 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.)

Black Hills Gas Resources has plugged back this well as per the attached report dated 5-18-2007. The Jicarilla Tribal Office of Water Administration has requested that this well be transferred to them for use as a water supply well after the plug back to the agreed-upon depth. The letter of transfer will be forthcoming.

RCVD JUN14'07
OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct.	
Name (Printed/ Typed) Loren Diede	Title Consultant (Agent)
Signature 	Date June 8, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE 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.		
Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make 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 page 2)

ACCEPTED FOR RECORD

JUN 13 2007

NMOCD

FARMINGTON FIELD OFFICE

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 * fax: 505-325-1211

Black Hills Gas Resources, Inc.
Jicarilla 460-21 #2

May 18, 2007
Page 1 of 1

1450' FNL & 824' FEL, Section 21, T-30-N, R-3-W
Rio Arriba County, NM
Lease Number: Contract 460
API #30-039-25867

Plugback Report

Notified JAT - BLM & NMOCD on 5/14/07

Work Summary:

5/14/07 MOL. SDFD.

5/15/07 RU rig. RU Advanced Safety and have safety meeting on H₂S. Open up well, no pressures. ND wellhead. NU BOP, test. PU 4.75" drill bit and 6 - 3.125" drill collars; TIH with 2.375" tubing and tag at 3125'. Wash down through 5' of fill. Drill out existing CIBP at 3127'. LD power swivel and 1 joint tubing. SDFD due to lighting and heavy rain.

5/16/07 Advanced Safety on location for H₂S. Hold safety meeting. Open up well, no pressure. TIH with tubing to 3310'; no bridges. Load 5.5" casing with 45 bbls of water; and circulate well. No H₂S alarms. TOH with 102 joints 2.375" tubing and LD BHA. TIH and then PU 16 joints tubing to tag fill at 3617'. Steve Mason with BLM, approved setting this plug higher than the procedure.
Plug #1 with 23 sxs Type III cement (31 cf) inside the 5.5" casing from 3617' to 3390' to cover the Pictured Cliffs interval and the Fruitland and Kirtland tops. Note: well did not circulate out the casing valve while pumping this plug.
TOH with tubing. Shut in well. WOC. SDFD.

5/17/07 Advanced Safety on location. Hold safety meeting. Open up well, no pressures. TIH with tubing and tag cement at 3395'. PUH to 3207'. Load casing with 35 bbls of water; no H₂S alarms. TOH with tubing. Round trip 5.5" casing scraper to 3207'. TIH and set 5.5" DHS cement retainer at 3207'. Pressure test tubing to 1200 PSI. Sting out of CR. Load casing with 15 bbls of water and circulate well clean with total 80 bbls of water. Pressure test casing to 500 PSI, held OK. Release Advance Safety.
Plug #2 with CR at 3207', mix and pump 61 sxs Type III cement (81 cf), squeeze 50 sxs below CR to fill the Ojo Alamo perforations, squeezed at ½ bpm at 1200 PSI; and then spot 11 sxs above CR up to 3099' to cover the Ojo Alamo top.
TOH to 3090' and reverse circulate the casing clean with 15 bbls water. TOH and LD tubing. ND BOP. NU wellhead and shut in well. RD rig and equipment. MOL.
W. Callado, JAT - BLM representative, was on location.

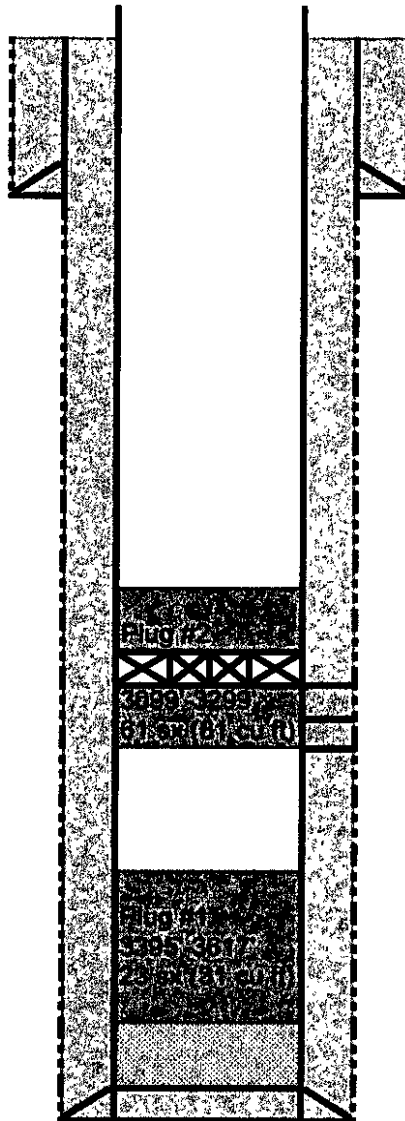
Jicarilla 460-21 #2
Plug Back Wellbore Diagram
 API #30-039-25867

UNIT H SE NE, Sec 21, T30N, R03W Rio Arriba, NM

6/8/2007

Elev. GL= 7260'
 Elev. KB= 7273'

SURF CSG
 8 5/8" 24# @ 551'
 KB, TOC surf



PROD CSG
 5 1/2" 15.5# @4013'
 KB; cmt; 2 stage,
 TOC = surf

Retainer @ 3207

**Ojo Alamo perms: 3253-3299 4 jspl, frac 7-9-1998 w/
 51800# 12/20 foam frac**

Fill to 3617'

**PBTD=3902'
 TD=4040' KB**