

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

| | | | | | | | | | |
|--|--|---|---------------------|--|----------------------|--|-----------------------|------------------------|-------------------|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Dry <input type="checkbox"/> Other | | | | | | 5. Lease Serial No. Jicarilla Contract 459 | | | |
| b. Type of Completion: <input checked="" type="checkbox"/> New <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other: _____ | | | | | | 6. If Indian, Allottee or Tribe Name Jicarilla Apache Tribe | | | |
| 2. Name of Operator Black Hills Gas Resources, Inc. c/o Mike Pippin LLC (Agent) | | | | | | 7. Unit or CA Agreement Name and No. | | | |
| 3. Address 3104. N. Sullivan, Farmington, NM 87401 | | | | 3a. Phone No. (include area code) 505-327-4573 | | 8. Lease Name and Well No. Jicarilla 459-18 #112 | | | |
| 4. Location of Well (Report locations clearly and in accordance with Federal requirements) * | | | | | | 9. APT Well No. 30-039-29859 - 01S1 | | | |
| At surface 1100' FNL & 1440' FWL Unit (C) Sec. 18, T30N, R3W | | | | | | 10. Field and Pool, or Exploratory East Blanco Pictured Cliffs | | | |
| At top prod. interval reported below 317' FNL & 2306' FEL Unit (B) Sec. 18, T30N, R3W | | | | | | 11. Sec., T., R., M., or Block and Survey or Area C 18 T30N R3W | | | |
| At total depth 241' FNL & 56' FEL Unit (A) Sec. 18, T30N, R3W | | | | | | 12. County or Parish Rio Arriba | | 13. State NM | |
| 14. Date Spudded 09/04/07 | | 15. Date T.D. Reached 09/26/07 | | 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 10/12/07 | | 17. Elevations (DF, RKB, RT, GL)* 7034' GL & 7046' KB | | | |
| 18. Total Depth: MD 6402' TVD 3650' | | 19. Plug Back T.D.: MD 6402' TVD 3650' | | 20. Depth Bridge Plug Set: MD TVD | | | | | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) MUD LOG, CBL | | | | | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit copy) | | | |
| 23. Casing and Liner Record (Report all strings set in well) | | | | | | | | | |
| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
| 12-1/4" | 9-5/8" | 36# | 0' | 306' | | 250, G | 53 | 0' - circ | 0' |
| 8-3/4" | 5-1/2" | 15.5# | 0' | 4141' | | 900, POZ | 274 | 0' - circ | 0' |
| 4-3/4" | OPEN HOLE MD4141'-MD6402' | | | | | 0 | | 1200' | |
| 24. Tubing Record | | | | | | | | | |
| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Set (MD) | |
| 2-3/8" | 4101' | | | | | | | | |
| 25. Producing Intervals | | | | | | | | | |
| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status | | | |
| A) Pictured Cliffs | MD4082' | | OPEN HOLE | | | | | | |
| | 3665' - TVD | | | | | | | | |
| 26. Perforation Record | | | | | | | | | |
| 27. Acid, Fracture, Treatment, Cement Squeeze, Etc. | | | | | | | | | |
| Depth Interval | Amount and type of Material | | | | | | | | |
| MD4141'-6402' | Horizontal PC lateral - No formation stimulation | | | | | | | | |
| 28. Production - Interval A | | | | | | | | | |
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Ready | 10/10/07 | 8 | → | | 0 | | | | Flowing |
| Choke Size | Thg. Press Flwg. PSI | Csg. Press. | 24 Hr Rate | Oil BBL | Gas MCF | Water BBL | Gas Oil Ratio | Well Status | |
| | | | → | | 0 | | | Shut In | |
| 28a. Production - Interval B | | | | | | | | | |
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| | | | → | | | | | | |
| Choke Size | Thg. Press Flwg. SI | Csg. Press. | 24 Hr Rate | Oil BBL | Gas MCF | Water BBL | Gas Oil Ratio | Well Status | |
| | | | → | | | | | | |

(See instructions and spaces for additional data on reverse side)

OPERATOR - NMOCAT

B

ACCEPTED FOR FILING

RECEIVED

OCT 11 2007

RECEIVED

RECEIVED

RECEIVED

RECEIVED

28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio | Well Status | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio | Well Status | |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Vent

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top | |
|-----------------|--------------|--------------|------------------------------|------------|-------------|-------|
| | | | | | Meas. Depth | |
| Pictured Cliffs | 3665' TVD | 3785' TVD | GAS | | MD | TVD |
| | | | | | Surface | |
| | | | | San Jose | 1927' | 1927' |
| | | | | Nacimiento | 3156' | 3109' |
| | | | | Ojo Alamo | 3436' | 3335' |
| | | | | Kirtland | 3973' | 3541' |
| | | | | Fruitland | 4082' | 3665' |
| | | | | Pictured | | 3785' |
| | | | | Lewis | | |

32. Additional remarks (include plugging procedure):

Jicarilla 459-18 #112 PC Horizontal Lateral

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 5. Core Analysis | 7. Other: | |

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Mike Pippin 505-327-4573 Title Petroleum Engineer (Agent)

Signature *Mike Pippin* Date October 11, 2007

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.