Form 3160- 5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BURGALLOG LAND MANAGEMENT

FORM APPROVED

OMB No. 1004- 0137

| BUREAU OF LAND MANAGEMENT | | | | Expires: March 31, 2007 | |
|---|--------------------------|------------------------------|-----------------|--|----------------|
| SUNDRY NOTICES AND REPORTS ON WELLS | | | | 5. Lease Serial No. MDA 701-98-0013 | |
| Do not use this form for proposals to drill or to re-enter an | | | | - MID | A /01-70-0013 |
| abandoned well. Use Form 3160-3 (APD) for such proposals. | | | | Jicarilla Apache Tribe | |
| SUBMIT IN TRIPLICATE - Other Instructions on reverse side. 1. Type of Well | | | | 7. If Unit or CA. Agreement Name and/or No. | |
| Oil Well V Gos Well Other | | | | 8. Well Name and No. | |
| 2. Name of Operator | | | | Jicarilla 29-02-31 #14 | |
| Black Hills Gas Resources, Inc. | | | | 9. API Well No. | |
| 3a. Address | Phone No. (include | (ude area code) 30-039-29317 | | | |
| P.O. Box 249 Bloomfield, NM 87413 Family 505-634-1 | | | 1111 | 10. Field and Pool, or Exploratory Area | |
| 2. Name of Operator Black Hills Gas Resources, Inc. 3a. Address P.O. Box 249 Bloomfield, NM 87413 Learnin 3 Sort Phone No. (include area con processes) 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | Burro Canyon Tertiary, Basin Fruitland Coal & East Blanco Pictured Cliffs | |
| 430' FNL & 880' FEL (NE NE) Unit A | | | | 11. County or Parish, State | |
| Sec 31, T29N, R2W | | | | Rio Arriba, NM | |
| 12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | | | |
| TYPE OF SUBMISSION | | | | | |
| Notice of Intent | Acidize | epen | Production (Se | tart/ Resume) | Water Shut-off |
| | Altering Casing Fra | ecture Treat | Reclamation | | Well Integrity |
| X Subsequent Report | Casing Repair Ne | w Construction | Recomplete | | Other |
| | Change Plans X Plu | ig and abandon | Temporarily A | bandon | |
| Final Abandonment Notice | Convert to Injection Plu | ig back | Water Disposa | .1 | |
| 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 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 reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.) Black Hills Gas Resources has plugged and abandoned this well as per the attached report dated Feb 4, 2008. | | | | | |
| | | | | | RCVD FEB 15'08 |
| | | | | | OIL CONS. DIV. |
| | | | | | NICT O |
| | | | | | DIST. 3 |
| 14. I hereby certify that the foregoing is true and correct. | | | | | |
| Name (Printed/ Typed) | | T:4 | | | |
| Loren Diede | Title Consultant (Agent) | | | | |
| Signature | | Date | | 13-Feb-08 | |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

ANTER PARKON

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)





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 29-02-31 #14**

February 4, 2008 Page 1 of 2

430' FNL & 880' FEL, Section 31, T-29-N, R-2-W Rio Arriba County, NM Lease Number: MDA 701-98-0013

Plug and Abandonment Report

API #30-039-29317

Notified JAT - BLM / NMOCD on 1/23/08

Work Summary:

01/24/08 Attempt to MOL. Snow and ice-packed roads.

01/25/08 MOL and RU.

01/28/08 Check well pressures: casing, 200 PSI; bradenhead, 0 PSI. Lay relief lines to pit. Blow well down. ND wellhead. NU BOP, test. Round trip 5.5" casing scraper to 3470', well kicking. Pump 20 bbls down tubing to kill well. TIH with 5.5" DHS CR to 3442'. Test pop-off on pump. Load hole with 20 bbls of water. Load tubing with 8-1/2 bbls of water. Pressure test tubing to 1000 PSI, held OK. Release and sting out of CR. Load hole with 50 bbls of water. No returns out casing valve.

Plug #1 with CR at 3442', spot 60 sxs Type III cement (80 cf) inside casing from 3442' up to 2836' to isolate the Pictured Cliffs interval, cover and fill the Fruitland interval, cover the Kirtland top. Partial returns out casing valve contain paraffin. TOH and LD tubing. Shut in well. SDFD.

01/30/08 Check well pressures: casing, 10 PSI; bradenhead, 0 PSI. Blow well down. TlH with tubing and tag cement at 3140'. Load bradenhead with ¼ bbl of water. Pressure test bradenhead to 300 PSI, held OK. Load tubing with 8 bbls of water. Paraffin, gas and dirty water in returns. Load hole with 30 bbls of water.

Plug #2 spot 45 sxs Type III cement (60 cf) with 2% CaCl₂ inside casing from 3140' up to 2696' to isolate the Ojo Alamo interval and cover the Nacimiento squeezed perforations.

TOH and LD tubing. Shut in well. WOC. TIH and tag cement at 2780'. PUH to 1984'. Load hole with 4 bbls of water. Dirty water in returns. Load hole with 20 bbls of water.

Plug #3 spot 20 sxs Type III cement (27 cf) inside casing from 1984' up to 1787' to cover the Nacimiento top.

TOH and LD tubing. Shut in well. SDFD.

01/31/08 Attempt to start rig. Batteries dead and fuel gelled. TIH and tag cement at 1810'. PUH to 1287'. Partially dig out wellhead (ground frozen) while waiting on batteries. Replace batteries on equipment. Load hole with 6 bbls of water.

Plug #4 spot 25 sxs Type III cement (33 cf) inside casing from 1287' up to 1040' to cover the San Jose perforations and top.

TOH and LD tubing. Shut in well. SDFD.

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February 4, 2008 Page 2 of 2

Work Summary – Continued:

02/01/08 Open well, no pressure. TIH and tag cement at 1145'. PUH to 345'. Load hole with 2-1/2 bbls of water. Load hole with 8 bbls of water. Pressure test casing to 500 PSI, held OK.

Plug #5 mix and pump 43 sxs Type III cement (57 cf) from 345' to surface, circulate good cement out casing valve.

TOH and LD all tubing. ND BOP. Found cement down 12' in 5.5" casing. Dig out wellhead. Monitor atmosphere and issue Hot Work Permit. Cut off wellhead. Found cement at the surface in the bradenhead.

Mix 30 sxs Type III cement and install P&A marker.

02/02/08 Wait for snow on highway to melt.

RD. MOL.

Rod Velarde, JAT – BLM representative, was on location.

Jicarilla 29-02-31 #14

Actual P&A

East Blanco PC / Basin FtC / Burro Canyon Tertiary

430' FNL & 880' FEL, NE, Section 31, T-29-N, R-2-W

Rio Arriba County, NM / API #30-039-29317

Plug #6: Top out @ surface Type III cement, 40 cu ft

Spud: 2/9/05

Multi-Zone Completion: 4/20/05

Elevation: 7069' GI

Today's Date 2-04-2008

7081' KB

12.25" hole

Nacimiento @ 1930'

Ojo Alamo @ 3245'

Kirtland @ 3320'

Fruitland @ 3380'

Pictured Cliffs @ 3445'

TOC @ Surface (CBL 2005)

8.625" 24#, Casing set @ 281' Cement with 200 sxs (Circulated to Surface)

Plua #5: 345' - 0' Type III cement, 57 cu ft

Plug #4: 1287' - 1040' Type III cement, 33 cu ft

> San Jose Perforations: 1226' - 1231', dry (2007)

Plug #3: 1984' - 1810' Type III cement, 27 cu ft

> Nacimiento Perforations: 2838' - 2840', squeezed (2005)

Plug #2: 3140' - 2780' Type III cement, 60 cu ft

> Ojo Alamo Perforations: 3280' - 3282'

Plug #1: 3442' - 3140' Type III cement, 80 cu ft

> Fruitland Coal Perforations: 3404' - 3438'

Set Cement Retainer @ 3442'

Pictured Cliffs Perforations: 3449' - 3550'

5.5" 15.5#, Casing set @ 3611' Cemented with 600 sxs, Circulate 40 bbls to Surface

7.875" hole

TD 3633' **PBTD 3595'**