

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Farmington Field Office

MAY 01 2008

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		6. If Indian, Allottee, or Tribe Name 7. If Unit or CA. Agreement Name and/or No. 8. Well Name and No. Carson 29-04-28 #1
2. Name of Operator Black Hills Gas Resources, Inc.		9. API Well No. 30-039-24673
3a. Address P.O. Box 249 Bloomfield, NM 87413	3b. Phone No. (include area code) 505-634-1111	10. Field and Pool, or Exploratory Area Gobernador Pictured Cliffs
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1905' FSL & 1604' FWL (K) Sec 28, T29N, R4W		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 recompleat 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 recompleat 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 4-29-08

RCVD MAY 7 '08
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

30-Apr-08

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)

RECORDED FOR RECORD

MAY 06 2008

B 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.
Carson 29-04-28 #1

April 29, 2008
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1905' FSL & 1604' FWL, Section 28, T-29-N, R-4-W
Rio Arriba County, NM
Lease Number: NMNM-18327
API #30-039-24673

Plug and Abandonment Report

Notified BLM / NMOCD on 4/17/08

Work Summary:

- 04/17/08 MOL. RU. Open up well, no pressure. Found bradenhead valves open. LD polish rod and stuffing box. ND wellhead. PU on tubing; donut and tubing free. NU BOP, test. SI well. SDFD.
- 04/18/08 Open up well, no pressure. TOH and tally 60 joints 2.875", 65#, J-55 tubing. Total tally 1814', pins off). Make up and TIH with 4.75" drill bit, bit sub, 6 3.125" drill collars with XO sub. PU and tally in hole with 53 joints A-Plus 2.375" tubing workstring; tag existing CIBP at 1862'. RU power swivel. Drill out CIBP at 1862'. Hang back swivel. PUH with tubing. SI well. SDFD.
- 04/21/08 Open up well, no pressure. PU and tally in hole with A-Plus 2.375" tubing workstring and tag remainder of CIBP at 2482'. RU power swivel. Drill out CIBP from 2482' to 2503', broke through. Continue in hole. Tag remainder of 2nd CIBP at 2794'. Drill out to 2808'. Circulate cement, metal and rubber in returns. PUH. SI well. SDFD.
- 04/22/08 Open up well, no pressure. TIH with tubing and BHA; LD bit. Make up new 4.75" drill bit and TIH with drill collars and tubing workstring; tag cement at 2808'. RU power swivel. Drill out to 2823'; broke through. RIH and tag remainder 3rd CIBP at 2935'. Drill out to 2938'; broke through. Lost 40 bbls from mud pit. Casing unloading; gained 10 bbls in mud pit in 10 minutes. RIH with 1 joint tubing; no tag. PUH with 2 joints tubing. SI well. SDFD.
- 04/23/08 Check well pressures: casing, 160 PSI; tubing and bradenhead, 0 PSI. Blow well down to mud pit. PU and tally in hole with 2.375" A-Plus tubing workstring; tag remainder of 4th CIBP at 3511'. Establish circulation with 60 bbls of water. Drill out to 3524'. Slow drilling with cement, metal and rubber in returns. Lost 25 bbls of water from mud pit. TOH with tubing and BHA; LD drill bit. Make up new 4.75" drill bit and RIH with tubing. Establish circulation with 15 bbls of water. Drill from 3524' to 3597'; cement in returns. PUH with 10 joints tubing. SI well. SDFD.

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April 29, 2008
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Work Summary - Continued:

04/24/08 Open up well; no pressure. TIH with tubing and tag cement at 3597'. RU power swivel. Establish circulation with 15 bbls of water. Drill out from 3597' to 3704'; broke through. Lost 10 bbls of water from mud pit. Continue in hole and tag at 3982'. J. McKinney, BLM, approved Plug #1 from 3982'. LD power swivel. TOH with tubing and LD BHA. Round trip 5.5" casing scraper to 2589'. TIH with tubing and plugging sub to 3982'.

Plug #1 with existing CIBP at 3982', spot 55 sxs Class G cement (64 cf) inside casing from 3982' up to 3498' to isolate the Fruitland Coal interval and cover through the Ojo Alamo top.

TOH with tubing. SI well. SDFD.

04/25/08 Open up well; no pressure. TIH with A-Plus tubing workstring and tag cement at 3582'. TOH with tubing. RIH with 5.5" DHS cement retainer; set at 2557'. Pressure test tubing to 1000 PSI. Sting out of CR. Attempt to pressure test casing to 500 PSI; bled down to 0 PSI in 30 seconds.

Plug #2 with CR at 2557', spot 33 sxs Class G cement inside casing above CR from 2557' to 2267' to isolate the Nacimiento interval.

TOH with tubing and LD stinger. SI well. SDFD.

04/28/08 Open up well; no pressure. TIH with A-Plus tubing workstring and tag cement at cement at 2338'. TOH with tubing. RIH with 5.5" DHS cement retainer; set at 1862'. Pressure test casing to 800 PSI for 5 minutes.

Plug #3 with CR at 1862', spot 18 sxs Class G cement (21 cf) inside casing from 1862' up to 1704' to cover the Nacimiento top.

TOH with tubing and LD stinger. Perforate 3 squeeze holes at 309'. Attempt to establish rate into squeeze holes; bled down from 800 PSI to 400 PSI in 1 minute.

Pump 13 bbls of water to establish circulation out casing. Circulate 25 bbls of water out bradenhead 2 bpm at 500 PSI. Dig out wellhead.

Plug #4 mix and pump 105 sxs Class G cement (121 cf) down 5.5" casing from 309' to surface, circulate good cement out bradenhead valve.

TOH and LD all tubing. SI well. WOC overnight.

4/29/08 Open up well. Found cement at 80' in 5.5" casing. ND BOP. Monitor atmosphere. Issue hot work permit. Cut off wellhead. Found cement down 50' in bradenhead. Mix 28 sxs Class G cement; top off casing and annulus and install P&A marker. RD. MOL.

John McKinney, BLM representative, was on location.