

RECEIVED

Form 3160-5
(April 2004)

UNITED STATES OCT 26 2009
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Farmington Field Office

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
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Black Hills Gas Resources

3a. Address **3200 N 1st Street PO Box 249 Bloomfield, NM 87413** 3b. Phone No. (include area code) **505-634-1111 ext 28**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
860' FSL & 990' FEL Sec. 2 T25N R2W SE/SE Unit P

5. Lease Serial No.
NM 40645
6. If Indian, Allottee, or Tribe Name
7. If Unit or CA. Agreement Name and/or No.
8. Well Name and No.
Ribeyowids Federal 2 #16
9. API Well No.
30-039-23554
10. Field and Pool, or Exploratory Area
Blanco MV, Gavilan PC
11. County or Parish, State
Rio Arriba, NM

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"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon		
	<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 plug and abandon the Ribeyowids Federal 2 #16 on October 2, 2009 as per the attached report dated October 6, 2006

RCVD OCT 28 '09

OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct.

Name (Printed/ Typed)

Daniel Manus

Title **Regulatory Specialist**

Signature

Date

Daniel Manus
October 26, 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

RECEIVED FOR RECORD

Approved by

Title

Date

OCT 28 2009

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

FARMINGTON FIELD OFFICE

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)

NMOCD 66

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c); and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3 - 2, 3162.3 - 3, 3162.3 - 4.

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency -sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

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

Black Hills Gas Resources
Ribeyowids Federal 2 #16

October 6, 2009

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860' FSL & 990' FEL, Section 2, T-25-N, R-2-W
Rio Arriba Country, NM
Lease Number: NM 40645
API#30-039-23554

Plug and Abandonment Report

Plugging Summary:

Notified BLM on 9/22/09

- 09/23/09 MOL and RU. Check well pressures: casing, 950 PSI; tubing and bradenhead 0 PSI. Blow well down. PU on rods; unseat pump. TOH and LD polish rod, stuffing box, 2 - 7/8" pony rods, 53 - 7/8" rods, 178 - 3/4" rods and bottom seat 16' pump with 10' screen. Shut in well. SDFD.
- 09/24/09 Check well pressures: casing and tubing, 55 PSI; bradenhead, 0 PSI. Blow well down. ND wellhead. NU BOP and test. TOH and tally 188 joints 2.375" tubing, SN, mud anchor; total 5851'. TIH with tubing and tag existing plug at 6600'. Establish circulation out casing valve with 65 bbls of water and pump additional 55 bbls of water to circulate well clean. Re-establish circulation with 13 bbls of water.
Plug #1 with existing CIBP at 6600', spot 20 sxs Class B cement (23.6 cf) inside casing from 6600' to 6420' to isolate the Gallup and Dakota intervals.
PUH and WOC. Shut in well. SDFD.
- 09/25/09 Open up well; tubing and casing on a vacuum; bradenhead, 0 PSI. TIH and tag cement at 6380'. TOH with tubing. Round trip 5.5" casing scraper to 5755'. Attempt to RIH with 5.5" DHS cement retainer; would not go through wellhead. Drag blocks too large to pass through a weld. Run wireline set CIBP in morning. SDFD.
- 09/28/09 Open up well; no pressure. RIH and set 5.5" wireline set CIBP at 5741'. Establish circulation down tubing and out casing with 37 bbls of water. Stopped pumping and waited 15 minutes. Re-establish circulation with 22 bbls of water. Note: open perforation taking water. Pump 20 additional bbls of water.
Plug #2 with 5741', mix and pump 60 sxs Class B cement (70.8 cf) inside the casing from 5741' up to 5199' to isolate the Mesaverde perforations and to cover the top. Note: under displaced with only 10 bbls water due to unknown fluid level in annulus; tubing on strong vacuum. Started to POH with tubing and found a split joint of tubing 6 joints from surface. Continued to PUH to 4900'. To clean out the wellbore, pump 18 bbls of water down tubing and then reverse pump 30 bbls down casing; with no circulation. TOH and WOC. RU wireline unit and RIH to tag cement at 4645'. Then TIH with open ended tubing and tag cement at 4645'; this is 555' above where plug was set. PUH to 4000'. Shut in well. SDFD.

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Ribeyowids Federal 2 #16

October 6, 2009
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Plugging Summary - Continued:

09/29/09 Open up well, no pressure. Found tubing to be stuck at 4000'. Pump 15 bbls of water down the tubing and worked tubing free. TOH with tubing and found last 13 joints plugged with grey material (blend of unset cement, formation sands and drilling mud). RIH with 5.5" wireline set CIBP and stacked out at 2719'. RD wireline. TIH with 4.75" bit and 2.375" tubing to 3115', no tag. Establish circulation with 43 bbls of water 3 bpm at 600 PSI. Rust colored returns until 105 bbls. Pumped 105 to 135 bbls of water, gray returns. Pumped 135 to 145 bbls, rust colored returns. Pumped 145 to 150 bbls of water, clean returns. Continue TIH to 4656'. Establish circulation with 25 bbls of water. Begin drilling cement pumping 2 bpm at 600 PSI. Drill at 1 foot per minute. First 20', rate of penetration dropped for 70' of drilling, picked up last 10 feet and fell through. Cement drilled from 4656' to 4759'. Circulate hole for 15 minutes. PUH to 2300'. Circulate well clean with 65 bbls of water. SI well. SDFD.

09/30/09 Open up well, casing, tubing and bradenhead on a vacuum. TIH and tag at 4771'. PU power swivel and establish circulation with 11 bbls of water. Drill out to 5305'. WOO. Jim Lovato, BLM representative, approved top of Plug #2 at 5305'. TOH and LD bit. TIH to 3550' with casing scraper. Pump down tubing and establish circulation with 85 bbls of water. Circulate well clean with additional 40 bbls of water. TOH and LD scraper. RIH and set 5.5" wireline CIBP at 3506'. TIH with tubing and tag CIBP at 3506'. Establish circulation with 3 bbls of water. Circulate well clean with additional 10 bbls of water. Pressure test casing to 800 PSI, held OK.

Plug #3 with wireline CIBP at 3506', spot 55 sxs Class B cement (64.9 cf) inside casing above CIBP up to 3018', to isolate the Pictured Cliffs perforation and cover the PC, Fruitland, Kirtland and Ojo Alamo tops. PUH to 2136'.

Plug #4 spot 20 sxs Class B cement (23.6 cf) inside casing from 2136' up to 1956' to cover the Nacimiento top. TOH and LD tubing. Shut in well. SDFD.

10/01/09 Open well, no pressure. RIH with wireline and tag cement at 1972'. Perforate 3 squeeze holes at 327'. Pump 40 bbls of water 2 bpm at 500 PSI; with no blow out bradenhead. R. Espinoza, BLM, approved procedure change. Perforate 3 squeeze holes at 227'. Establish circulation down casing and out bradenhead. TIH with tubing to 380'.

Plug #5 mix and pump 148 sxs Class B cement (174.64 cf) from 380' to surface, filling the inside of the casing and from 227' to surface filling the bradenhead annulus, circulate good cement out bradenhead valve and the casing valve. TOH and LD tubing. Shut in well. SDFD.

10/02/09 Open up well, no pressure. ND BOP. Issue Hot Work Permit. Cut off wellhead. Found cement down 24' in casing and 5' in annulus. Mix 15 sxs Class B cement and install P&A marker. RD. MOL.

Ray Espinoza, and Bill Diers, BLM representatives, were on location.