



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO
MDA 701-98-0013
3162.3-1 (111)

December 28, 2009

Black Hills Gas Resources, Inc.
Attn.: Lynn Benally
PO Box 249
Bloomfield, NM 87413

RCVD DEC 29 '09
OIL CONS. DIV.
DIST. 3

30-039-29435

Dear Ms. Benally:

Reference is made to your Application for Permit to Drill (APD) the **No. 14 Jicarilla 28-02-06** well, located **570' FNL and 775' FEL, Section 6, T28N, R2W, Rio Arriba County, New Mexico**. This APD was approved on October 24, 200 with an expiration date of October 24, 2009. According to our records, no known activity has taken place at this location.

In view of the foregoing, this office is rescinding the approval due to the expiration of this APD. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at this well site. Please file letter within 30 days of receipt of this notice. Any surface disturbance conducted must be rehabilitated in accordance with the standards and guidelines established by this office.

If you have any questions regarding the above contact Shea Valdez at (505) 599-8969

Sincerely,

Shea Valdez
Petroleum Engineering Asst.

Petroleum Management Team

cc: NMOCD
BIA: Dulce
Jicarilla Nation Minerals Dept.

VS

BIA
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

mapped 02/09/05

MNB 000230

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000HBP-Actual
Mallon
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. MDA 701-98-0013,
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name JICARILLA APACHE NATION
2. Name of Operator BLACK HILLS GAS RESOURCES, INC		7. If Unit or CA Agreement, Name and No.
Contact: KATHY L SCHNEEBECK E-Mail: BPMIBLACKHILLS@BANKO1.COM		8. Lease Name and Well No. JIC 28-02-06 14
3a. Address 350 INDIANA STREET, SUITE 400 GOLDEN, CO 80401	3b. Phone No. (include area code) Ph: 303-820-4480 Fx: 303-820-4124	9. API Well No. 30-039-29435
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENE Lot 1 Tract 2 570FNL 775FEL At proposed prod. zone NENE Lot 1 Tract 2 570FNL 775FEL		10. Field and Pool, or Exploratory E BLANCO/PICTURED CLIFFS
14. Distance in miles and direction from nearest town or post office* 57 MILES FROM BLOOMFIELD, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 6 T28N R2W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 4505' FWL (LEASE LINE)	16. No. of Acres in Lease 10240.00	12. County or Parish RIO ARRIBA
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1700' (FROM JICARILLA 28-02-05 11)	19. Proposed Depth 4000 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 7189 GL	22. Approximate date work will start 02/16/2005	17. Spacing Unit dedicated to this well 160.00
24. Attachments		20. BLM/BIA Bond No. on file 1318288
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:		23. Estimated duration

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

25. Signature (Electronic Submission)	Name (Printed/Typed) KATHY L SCHNEEBECK Ph: 303-820-4480	Date 01/17/2005
Title PERMIT AGENT		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 10/24/05
Title AFM	Office FFO	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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.

Additional Operator Remarks (see next page)

Electronic Submission #52957 verified by the BLM Well Information System
For BLACK HILLS GAS RESOURCES, INC, sent to the Farmington

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

FARMINGTON

DISTRICT I
1625 N. Franch Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 72400	*Pool Name E. Blanco / Pictured Cliffs
*Property Code 24245	*Property Name JICARILLA 28-02-06		*Well Number 14
*OGRID No. 013925	*Operator Name MALLON OIL COMPANY		*Elevation 7189'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 1	6	28-N	2-W		570	NORTH	775	EAST	RIO ARriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 160 acres - NE/4	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

LOT 4	LOT 3	LOT 2	LOT 1
LOT 5			
LOT 6			
LOT 7			

17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
Kathy L. Schneebeck
Signature
Kathy L. Schneebeck
Printed Name
Permit Agent for Black Hills
Title
January 13, 2005
Date

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge.
JOHN A. VUKOBICH
Date of Survey
Signature and Seal of Professional Surveyor
14831
Certificate Number