



# 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.

*30-059-29548*

DIST. 3

Dear Ms. Benally:

Reference is made to your Application for Permit to Drill (APD) the **No. 44 Jicarilla 28-02-18** well, located **995' FSL and 1235' FEL, Section 18, T28N, R2W, Rio Arriba County, New Mexico**. This APD was approved on February 9, 2007 with an expiration date of February 9, 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.

*h*

BIA  
Black Hills All HBP Actual  
mapped NOS 02/28/05

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. MDA 701-98-0013, Tract 2	
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.	
E-mail: lbenally@bhep.com Contact: Lynn Benally		8. Lease Name and Well No. Jicarilla 28-02-18 44	
3a. Address 350 Indiana Street, Suite 400 Golden CO 80401		9. API Well No. 30-139-29548	
3b. Phone No (include area code) 505.634.1111		10. Field and Pool, or Exploratory East Blanco Pictured Cliffs	
4. Location of Well (Report location clearly and in accordance with any State Requirements *) At surface 995' FSL 1,235' FEL SE 1/4 SE 1/4 Lat: 36° 38' 06.7" Long: 107° 04' 45.0"		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 18 T 28N R 2W	
At proposed production zone		12. County or parish Rio Arriba	
14. Distance in miles and direction from nearest town or post office. * Well is located approximately 57 miles east of Bloomfield, New Mexico.		13. State New Mexico	
15. Distance from proposed location to nearest property of lease line, ft (Also nearest Dng, unit line, if any) Unit= n/a Lease= ±995'		16. No. of acres in lease 10,240.0	
17. Spacing Unit dedicated to this well 160		18. Distance from proposed location to nearest well, drilling, completed or applied for, on this lease, ft. Jicarilla 28-02-18 22 ± 3,300'	
19. Proposed depth 4,000' TVD		20. BLM/BIA Bond No. on file NMB000230 BIA-mmSP0267675 mmSP02668	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7,107' GR		22. Approximate date work will start * June 16, 2005	
23. Estimated duration 45-60 days drlg + completion		24. Attachments	

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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 office.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

25. Signature Kathy L. Schneebeck	Name (Printed/Typed) Kathy L. Schneebeck, 303.820.4480	Date May 12, 2005
Title Permit Agent for Black Hills Gas Resources, Inc.		
Approved by (Signature) [Signature]	Name (Printed/Typed) [Signature]	Date 2/29/07
Title AFM		

Application approval 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.

Conditions of approval, if any, are attached.

\* High priority: location is in a vulnerable area.

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.

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

FARMINGTON

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

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised June 10, 2003

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

☐ AMENDED REPORT

# WELL LOCATION AND ACREAGE DEDICATION PLAT

¹API Number		²Pool Code 72400		³Pool Name E. Blanco / Pictured Cliffs	
⁴Property Code 24245		⁵Property Name JICARILLA 28-02-18			⁶Well Number 44
⁷GRID No. 013925		⁸Operator Name BLACK HILLS GAS RESOURCES			⁹Elevation 7107

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	28-N	2-W		995	SOUTH	1235	EAST	RIO ARRIBA

<sup>11</sup> 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
12 Dedicated Acres 160 acres - SE/4			13 Joint or Infill		14 Consolidation Code		15 Order No.		

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  <div style="text-align: center; margin-top: 50px;">LOT 1</div>			
LOT 2			
LOT 3  <div style="text-align: center;">           RECEIVED            070 FARRINGTON NM         </div>	18  <div style="text-align: center;">           FOUND 2 1/2"            U.S.G.L.O.            1917 BC         </div>	N 00-04-26 E 2642.27' (M)	
LOT 4  <div style="text-align: center;">           FOUND 2 1/2"            U.S.G.L.O.            1917 BC         </div>	S 89-45-12 E 2638 20' (M)	1235'  <div style="text-align: center;">           FOUND 2 1/2"            U.S.G.L.O.            1917 BC         </div>	