

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Bureau of Land Management
Farmington Field Office

MAY 07 2010

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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 page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Black Hills Gas Resources

3a. Address

P.O. 249 / 3200 N 1st Street, Bloomfield, NM

3b. Phone No. (include area code)

(505) 634-1111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1695' FSL & 1812' FEL NW/SE (Unit J) Section 23 T30N R3W

5. Lease Serial No.

Contract 462

6. If Indian, Allottee, or Tribe Name

Jicarilla Apache Tribe

7. If Unit or CA. Agreement Name and/or No.

8. Well Name and No.

Jicarilla 462-23 #33

9. API Well No.

30-039-29269

10. Field and Pool, or Exploratory Area

Basin Dakota WC Basin Mancos

11. County or Parish, State

Rio Arriba, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Acidize☐ Deepen☐ Production (Start/ Resume)☐ Water Shut-off☒ Subsequent Report☐ Altering Casing☒ Fracture Treat☐ Reclamation☐ Well Integrity☐ Casing Repair☐ New Construction☒ Recomplete☐ Other☐ Change Plans☐ Plug and abandon☐ Temporarily Abandon

DIST. 3

☐ Final Abandonment Notice☐ Convert to Injection☐ Plug back☐ 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 recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be 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 recompleation 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.)

BHGR would like to recompleate the well as follows:

Perforate Mancos 1st stage at about 7479-7608' overall with 14 - 1' perf intervals, 3spf, .34" diam, 42 holes total. Perform DFIT injection test. Acidize perfs with about 2000 gal 15% HCL. Frac perfs with about 7500# 100 mesh white and 258,000# 40/70 brown sand in a slick water frac. Set CBP above perfs. Perforate Mancos 2nd stage at about 7375-7452' overall with 9 - 1' perf intervals, 3spf, .34" diam, 27 holes total. Acidize perfs with about 2000 gal 15% HCL. Frac perfs with about 7500# 100 mesh white and 154,000# 40/70 brown sand in a slick water frac. Set CBP above perfs. Perforate Mancos 3rd stage at about 7259-7341' overall with 10 - 1' perf intervals, 3spf, .34" diam, 30 holes total. Acidize perfs with about 2000 gal 15% HCL. Frac perfs with about 7500# 100 mesh white and 164,000# 40/70 brown sand in a slick water frac. Set CBP above perfs. Perforate Mancos 4th stage at about 7163-7233' overall with 11 - 1' perf intervals, 3spf, .34" diam, 33 holes total. Acidize perfs with about 2000 gal 15% HCL. Frac perfs with about 7500# 100 mesh white and 140,000# 40/70 brown sand in a slick water frac. Set CBP above perfs. MIRU SU. Drill out CBPs. Land 2 3/8" prod tbg at about 7500'. Release SU. ✓

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed)

Daniel R. Manus

Title

Regulatory Technician

Signature

Date

7-May-10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Troy L. Salvors

Title PE

Date 5/10/2010

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

FFO

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 16

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 8 hours 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

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

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

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

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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-29269		*Pool Code 97232	*Pool Name BWS BASIN MANCOS
*Property Code 23825	*Property Name JICARILLA 462-23		*Well Number 33
*OGRID No. 013925	*Operator Name BLACK HILLS GAS RESOURCES		*Elevation 7187'

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
J	23	30-N	3-W		1695	SOUTH	1812	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
*Dedicated Acres 320 1/2		*Joint or Infill		*Consolidation Code		*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

18

FD 1/2" REBAR
WITH 1/2" PLASTIC CAP
STAMPED L.S. 8894

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Daniel Manus 5/10/10
Signature Date
Daniel Manus
Printed Name

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 belief.

JOHN A. VUKONICH
Date 5/10/10
Signature and Seal of Professional Surveyor
14831
REGISTERED PROFESSIONAL SURVEYOR
Certificate Number

LAT. 36-47-41 N (NAD 83)
LONG. 107-07-01 W (NAD 83)

1812'

160 ACRES

1695'

N 89-37-18 E
5217.53' (M)

FD P&C LS 8894

FD. STONE