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Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Farmington Field Office
Bureau of Land Management

JUN 13 2012

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, Inc.

3a Address

3200 N 1st St, Bloomfield, NM 87413

3b. Phone No. (include area code)

(505) 634-5104

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

Surface: 665' FNL 2,400' FWL NE/NW Sec.29 T30N R3W

Bottom Hole: 707' FNL 2,402 FWL NE/NW Sec.29 T30N R3W

5. Lease Serial No

Contract 464

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 464-29 #716

9. API Well No.

30-039-29888

10. Field and Pool, or Exploratory Area

Basin Mancos

11. County or Parish, State

Rio Arriba County, 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☐ Final Abandonment Notice☐ Change Plans☐ Plug and abandon☐ Temporarily Abandon

Microseismic Observation

☐ Convert to Injection☐ Plug back☐ Water Disposal

Well

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 of all pertinent markers and zones. 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 reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Black Hills Gas Resources has performed the following work on this well; please see attachment.

Jicarilla 464-29 #716 is classified as a microseismic observation well. Sundries will be submitted annually noting usage of well for microseismic observation.

Status change effective 6/1/12

RCVD JUL 5 '12
OIL CONS. DIV.

DIST. 3

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

Daniel Manus

Regulatory Technician

Title

Signature

Date

June 12, 2012

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

JUL 02 2012

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
BY

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 A



Black Hills Gas Resources

Jicarilla 464-29 #716

665' FNL 2,400' FWL (NE/NW) Sec.29 T30N R3W
Rio Arriba County, New Mexico

- 5/04/12:** 8:30 AM, Notified BLM, NMOCD of upcoming operations. SICP 0 psi. SI interm csg 0 psi. SIBHP 0 PSI. MIRU A Plus Well Service Rig #5.
- 5/08/12:** Open up well, no pressures. ND WH. NU & function test BOP. Make scraper trip to PBTD 8372'. Circ well with biocide treated water.
- 5/09/12:** TOH with scraper. TIH with pkr. Isolated casing leak in 4 ½" csg between 6510' and 6574'. Leaked off 1 psi per min. Tested csg above and below leak to 1500 psi, held. Spot 1 bbl 7 ½% HCL across csg leak. PUH, set pkr. Let acid sit for 2 hrs. Attempt to break down with 1500 to 2500 psi, no break down. Squeezed away approx ½ bbl acid into leak. Release pkr, TIH, reverse out acid.
- 5/10/12:** Set pkr. Attempt to break down leak with 2500 psi, no break down. Release pkr. 7:45 AM, Notified Bryce Hammond, BLM of upcoming sqz.
- 5/11/12:** MIRU swab unit. Swab well down to 6000'. Wait 1 hr. Check for fluid entry, none. Set pkr. Fill csg & tbg. Attempt to break down with 2400 psi, no break down.
- 5/14/12:** TOH & LD pkr. TIH with tbg. Mix & pump 30 sx, 27 cu ft, Halliburton FineCem cmt, 12.5 ppg, yield 0.9 cu ft/sk. Spotted cmt in 4 ½ csg from 6615' to 6307'. PUH. Sqz approx 1 sx cmt into leak with 1895 psi. Held for 15 min, no leakoff. SWI with 1600 psi pressure. Rod Velarde, JAT-BLM on location.
- 5/15/12:** SITP 1600 psi. SICP 1600 psi. SI interm csg 0 psi. SIBHP 0 psi. Bleed off pressure. TIH. Tag soft cmt at 6351'. Tag solid cmt at 6375'. TOH. ND BOP. NU WH. RDMO. Release rig.
- 5/23/12:** RU pump truck & chart recorder. Fill csg with 9 bbls. Pressure up to 690 psi on 4 ½" csg. Ran 30 min MIT. Bled off to 660 psi, failed. Paul Wiebe, NMOCD & Bryce Hammond, BLM on location.
- 5/31/12:** WSI repaired wellhead leaks.
- 6/01/12:** RU pump truck & chart recorder. Pressure up to 610 psi on 4 ½" csg. Ran 30 min MIT. Bled off to 600 psi in 3 min then held 600 psi for 28 min, passed MIT. Paul Wiebe, NMOCD on location.

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