

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 6251 College Boulevard, Suite A Farmington, New Mexico 87402

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

July 12, 2012

Black Hills Gas Resources Inc. Attn.: Daniel Manus PO Box 249 Bloomfield NM, 87413

Dear Mr. Manus:

Reference is made to your Application for Permit to Drill (APD), the #44 Jicarilla 29-02-18 well, located 620' FSL and 655' FEL, Section 18, T29N, R2W, Rio Arriba County, New Mexico. API # 30-039-30094. This APD was approved on April 30, 2008. There was no APD extension sundry notice filed for this well. As to date, our records show no 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 Troy Salvers at (505) 564-7743

Sincerely,

Petroleum Engineer
Petroleum Management Team

cc: NMOCD BIA: Dulce

Jicarilla Nation Minerals Dept.