

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

5. Lease Serial No.
MDA 701-98-0013

6. If Indian, Allottee or Tribe Name
Jicarilla Apache Tribe

7. If Unit or CA/Agreement, Name and/or No.
25496

8. Well Name and No.
Jicarilla 29-02-33 No.2

9. API Well No.
3003926819

10. Field and Pool, or Exploratory Area
E. Blanco

11. County or Parish, State
Rio Arriba, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Black Hills Gas Resources, Inc.

3a. Address
350 Indiana Street, Suite 400 Golden, CO 80401

3b. Phone No. (include area code)
720-210-1307

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)
770' FNL & 725' FWL NWNW Sec 33 T29N R02W

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Test OA, PC Clean-</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Out, Set Packer</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

3. 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 be performed or provide the Bond No. on file with 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 Notices 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.)

Procedure as attached.



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

Title Engineering Intern

Signature Kelli Sanford Date 7/26/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature) Original Signed: Stephen Mason

Name (Printed/Typed)

Title

Office

Date AUG 01 2005

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.

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.

(Continued on next page)

NMOC

Black Hills Gas Resources

JICARILLA 29-02-33 #2

API # 3003926819

NW NW Sec 33, T29N – R2W

Rio Arriba County, New Mexico

Test OA, PC clean-out, set packer

GL: 7256', KB: 7271' PBTD: 3710'

Surface casing: 8 5/8", 24.0 lb/ft, Casing @ 263, TOC = surf
Production casing: 5 1/2", 15.5 lb/ft, J-55 Casing @ 3750', TOC = surf
Current prod tubing: 1.9" LS, 3495', SS 2878'
Current pump/ rods: None
Current Producing Zones:

Ojo Alamo 2870-2880'
Pictured Cliffs: 3560-3588'

Proposed Work: Test Ojo Alamo, check for fill, clean out and test PC. Set capillary string(s) for paraffin solvent injection. Possible Fruitland Coal completion.

1. General Note: All fluids entering the hole will have added 2 gpt MA-844 (MA-1) and a biocide. There will be no KCL water used during operations. Check & monitor OA for H2S content.
2. MIRU completion rig and equipment.
3. ND WH. NU BOP's.
4. Pull 1.9" tbg short string. Check for scale and paraffin, take samples for analysis.
5. RIH with a 1.43" "F" profile plug and set in the long string profile @ 3487'.
6. J off of the ON/OFF tool and TOO H with the 1.9" long string. Dump sand on top of the packer. Check for scale and paraffin, take samples for analysis.
7. TIH with 2 3/8" tbg to +/- 2875'. Swab test the OA. Carefully monitor water rates and volumes. Take samples for analysis. **Notify Loren Diede with the results.**

The results of the Ojo Alamo tests will determine if the Ojo Alamo is to be produced, or if the PC is to be produced or both as duals.

8. If the OA test indicates that a fracture treatment is warranted, prepare for the frac by setting 1 frac tank and fill with water, add biocide. The service company will furnish the MA-1.

9. Fracture treat the OA with 28000 gal 70Q XL foam and 47000# 16/30 mesh sand via the casing @ 20 bpm. **(Pump paraffin inhibitor beads in frac).**
10. Test the OA to determine if the PC is to be re-completed or if the OA is to be produced solo.
11. If the OA is to be produced solo, MU production string with 2 3/8" tbg, 1.78" "R" profile, a 2-4' pup jt and a re-entry guide. Set EOT @ +/- 2875'.

If PC is to be produced proceed as follows

12. TIH w/ 2 3/8" tbg. clean sand off the packer. Latch on to the ON/OFF tool. Pull the 1.43" "F" profile plug. Pick up packer, TOO H with tubing and packer.
13. MU production string as follows: 2 3/8" tubing, 2" ID ON/OFF tool, Arrowset packer, 10 jts 2 3/8" tubing, 1.78" "R" profile, 2-4' pup and a re-entry guide. Set tubing with EOT @ +/- 3570'.
14. Swab well to remove fluid from PC.
15. Prepare to pump cleanup treatment. Dump 2 gal MA-1, then pump 150 gal 7 1/2% HCl followed by 10 bbl treated water or displace to bottom perforation if pressure is encountered. SI for 1hr. Swab to recover load.
16. Pump MeOH treatment. Pump 10 bbls MeOH followed by 200000 scf N2. Pump N2 at +/- 5-7 bpm (4000-5600 scfm).
17. SI for 2 hours, begin flow back.
18. MIRU Dyna-Coil and install capillary string (s) in production tbg(s) for paraffin solvent

If the previous work has not been successful, proceed with the Fruitland Coal completions follows:

19. Set CIBP over the PC at +/- 3550.
20. MIRU Wireline unit and perforate the **Fruitland Coal** with 22.7 gram Slick-Gun charges 0.43" dia holes @ 4 jspf.

3524-3534	(10ft) 4 jspf
3508-3512	(4 ft) 4 jspf

Total of 14 ft and 56 holes

21. MU production string as follows: 2 3/8" tubing, 2" ID ON/OFF tool, Arrowset packer, 10 jts 2 3/8" tubing, 1.78" "R" profile, 2-4' pup and a re-entry guide. Set tubing with EOT @ +/- 3510'
22. Pump 800 gallons of 10% formic acid mist with 400000 scf N2 to stimulate the FC. Pump at +/- 4 bpm DH rate.
23. Flow test the FC to recover load.
24. When the returns are free of N2, turn well over to production.

Initiated by:

Loren Diede

5-03-05

rev. 6-09-05

Approved by:

First call for services will be:

Acid/MeOH/N2/Frac	BJ	327-6222
Perforating	Basin	327-5244
Tools:	Weatherford	320-3181
Capillary tbg	Dyna-Coil	330-4300