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FEB 13 2013

Form 3160-5
(August 2007)

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

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. MDA 701-98-0013 Tract 2
2. Name of Operator Black Hills Gas Resources, Inc.		6. If Indian, Allottee, or Tribe Name Jicarilla Apache Tribe
3a. Address 3200 N 1st St, Bloomfield, NM 87413	3b. Phone No. (include area code) (505) 634-5104	7. If Unit or CA. Agreement Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 685' FNL & 690 FWL Section 16, T29N& R2W		8. Well Name and No. Jicarilla 29-02-16 #4
		9. API Well No. 30-039-27462
		10. Field and Pool, or Exploratory Area
		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			
<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"/> Altering 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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> 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 recomplate 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 recompletion 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.)

Per the Notice of Intent dated February 6, 2013, to plug and abandon Jicarilla 29-02-16 #4, Black Hills Gas Resources is submitting the attached plug and abandon procedure.

RCVD FEB 22 '13
OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) **Daniel Manus** Title **Regulatory Techician**

Signature *[Signature]* Date **February 13, 2013**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Original Signed: Stephen Mason** Title _____ Date **FEB 20 2013**

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 _____

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 AV

PLUG AND ABANDONMENT PROCEDURE

February 11, 2013

Jicarilla 29-02 16 #4

East Blanco Pictured Cliffs

Surface: 685' FNL, 690' FWL, Section 16, T29N, R2W, Rio Arriba County, NM

Lower Lateral TD: 685' FNL, 690'FWL, Section 16, T29N, R2W

API 30-039-27462 / Long: _____ / Lat: _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes _____, No X, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 2-7/8" tubing, Length 4508'.
Packer: Yes X, No _____, Unknown _____, Type AS-1 10k packer @ 3427'.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

Round trip 5.5" casing scraper or gauge ring to 3494' or as deep as possible. Note: Upper Lateral KO window from 3531' – 3541' Whipstock top at 3531'.

4. **Plug #1 (Pictured Cliffs interval, Fruitland, Kirtland and Ojo Alamo tops, 3494' – 3108')**: RIH and set 5.5" CR or CIBP at 3494'. Pressure test tubing to 1000#. **Pressure test casing to 800#.** **If casing does not test then spot or tag subsequent plugs as appropriate.** Mix 50 sxs Class B cement and spot a balanced plug above CR or CIBP, inside the casing, to cover the Pictured Cliffs interval through the Ojo Alamo top. PUH.
5. **Plug #2 (Nacimiento top, 2065' – 1965')**: Mix 17 sxs Class B cement and spot a balanced plug inside the casing to cover Nacimiento top. PUH.
6. **Plug #3 (8-5/8" Surface casing shoe, 333' - Surface)**: Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 45 sxs cement and spot a balanced plug from 333" to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 333' and the annulus from the squeeze holes to surface. Shut in well and WOC.
7. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Today's Date: 2-06-13
 Spud Date: 7-13-03

GL = 7248'
 KB = 7261'

Jicarilla 29-02-16 #4
PROPOSED P&A
 NW NW Sec 16, T29N, R2W
 API # 30-039-27462

12 1/4" hole
 8 5/8" 24#, K-55 casing @ 283'. Cmt
 171 sx. Circ 20 bbls to surface.

7 7/8" hole

DV tool 2602' KB. Cmt from 2602' to
 surface.
 TOC from Stg 1 at 2820' (2003 CBL)

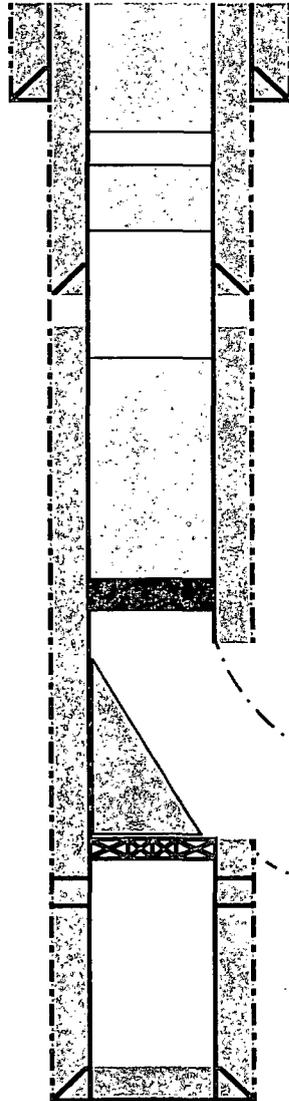
Window from 3531-3541'

Whipstock top @ 3531'

CIBP at 3545'

Perfs: 8-27-03; 3548-3570',
 Frac 66380# 12/20, XL N2 foam

5 1/2", 15.5#, K-55 csg at 3874', DV
 tool @ 2602'. Cmt Stg 1 w/294 sx.
 Circ dye & trace cmt to surf. Cmt Stg
 2 w/876 sx. Circ 63 bbls to surface.
 8/27/03 CBL: TOC from stg 1 at
 2820'. Cmt from stg 2 from 2602' to
 inside surf csg.

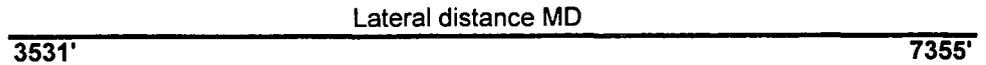


Plug #3 333' - 0'
 class B cmt, 45 sx San Jose surface

Plug #2 2065' - 1965'
 class B cmt, 17 sx Nacimiento est 2015'

Plug #1 3494' - 3108'
 class B cmt, 50 sx Ojo Alamo 3158'

Set CR or CIBP at 3494'
 Kirtland 3392'
 Fruitland 3472'
 Pict Cliffs 3544'



PBTD = 3825'
 TD = 3845'

The Jicarilla Apache Nation requires 45 days to evaluate this well beginning from February 8, 2013 in order to determine if they would like to assume ownership of the well. If the Jicarilla Apache Nation has not contacted your office before the end of the 45 days you may proceed with plugging operations.