

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
AUG 15 2014
RCVD AUG 27 '14
OIL CONS. DIV.
DIST 3
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.

5. Lease Serial No.
Jicarilla Contract 458-5 #2

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 458-05 #2

9. API Well No.
30-039-25781

10. Field and Pool, or Exploratory Area
Cabresto Canyon Tertiary

11. County or Parish, State
Rio Arriba County, New Mexico

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address
P.O. Box 249 Bloomfield, NM 87413

3b. Phone No. (include area code)
(505) 634-5104

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1850' FSL & 790' FWL NW/SW Section 5 T30N R3W (UL: L)

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 recomplete 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 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 reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Per the Notice of Intent dated May 14, 2014, to plug and abandon Jicarilla 458-05 #2, Black Hills Gas Resources is submitting the attached plug and abandon procedure.

BHGR will be using a closed loop system.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

Notify NMOCD 24 hrs prior to beginning operations



H₂S POTENTIAL EXIST

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

Signature *Daniel Manus* Date **August 15, 2014**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Troy Salvess** Title **Petroleum Eng.** Date **8/25/2014**

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
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PLUG AND ABANDONMENT PROCEDURE

July 16, 2014

Jicarilla 458-05 #2

East Blanco Pictured Cliffs

Surface 1850' FSL, 790' FWL, Section 5, T30N, R3W, Rio Arriba County, NM

API 30-039-25781 / 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.

This project will use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.

1. 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.
2. Rods: Yes , No _____, Unknown _____.
Tubing: Yes , No _____, Unknown _____, Size 2-7/8" , Length 3944'.
Packer: Yes _____, No , Unknown _____, Type _____
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
Round trip 5.5" casing scraper to 3722' or as deep as possible.
3. **Plug #1 (Pictured Cliffs interval, Fruitland, Kirtland and Ojo Alamo tops):** RIH and set 5.5" CR at 3722'. Pressure test tubing to 1000#. Pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 71 sxs Class B cement and spot a balanced plug above CR, inside the casing, to cover the Pictured Cliffs interval and the Fruitland, Kirtland and Ojo Alamo tops. PUH. (3722 - 3152) FL.
4. **Plug #2 (Nacimiento top, 2094' - 1994'):** Mix 17 sxs Class B cement and spot a balanced plug inside the casing to cover Nacimiento top. PUH.
5. **Plug #3 (Surface, 584' - 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 70 sxs cement and spot a balanced plug from 584' 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 casings to surface. Shut in well and WOC.
6. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. Cut off anchors and clean up location. Restore location per BLM stipulations.

7/16/2014

Jicarilla 458-05 #2
Current Wellbore
NWSW Sec 5, T30N, R03W
Rio Arriba, NM
API# 30-039-25781

Spud: 3/17/98
Compl: 4/4/98

7147' GL
7161' KB

12 1/4" hole

8 5/8" 24#, J-55 surface casing set @ 534', cmt w/ 300 sx. Circ 95 sx to surface

7 7/8" hole

Nacimiento 2044'

Ojo Alamo 3202'

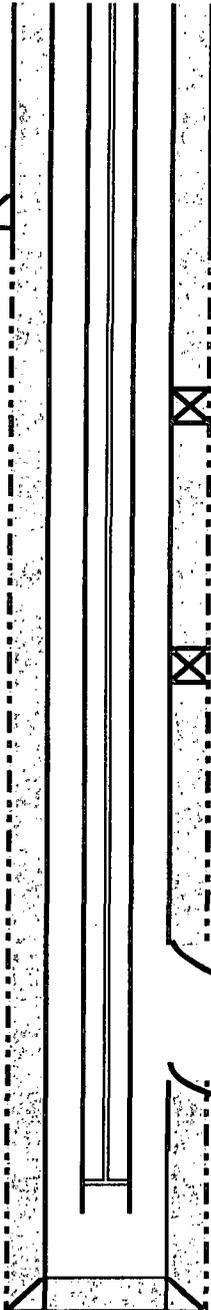
Kirtland 3418'

Fruitland 3657'

Window from 3754-3765'

Pict Cliffs 3772'

5 1/2" 15.5# J-55 prod casing set @ 4039'. Cmt w/ 720 sx, circ 100 sx to surface.



PBTD = 3985'
TD = 4060'

2 3/8" TUBING DETAIL (9/11/07)

124 jts 2 7/8" J-55 tbg
SN **3908'**
4' perf sub
1 jt 2 7/8" mud anchor
bull plug
EOT 3944'

ROD DETAIL (9/11/07)

26' x 1 1/4" polish rod
151 - 3/4" rods
4 - 3/4" guided rods
2 1/2 x 1 1/4 x 12 RHAC

San Jose perms: 1552-1564, 1581-1615'. Sqz'd w/ 75 sx 8/6/2005

Ojo Alamo perms: 3212-3244'. Sqz'd w/ 75 sx 8/5/2005.

4 3/4" lateral hole 3760' - 6587' MD

Uncemented Tubing Liner:

2 7/8" 8.7#, N-80 tubing cutoff at 3780'. End of tbg at 6500'. (82 jts and 5 perforated jts)

7/16/2014

Jicarilla 458-05 #2
Proposed P&A
NWSW Sec 5, T30N, R03W
Rio Arriba, NM
API# 30-039-25781

Spud: 3/17/98
Compl: 4/4/98

7147' GL
7161' KB

12 1/4" hole

8 5/8" 24#, J-55 surface casing set @ 534', cmt w/ 300 sx. Circ 95 sx to surface

Plug #3: 584' - 0'
Class B cement, 70 sxs

7 7/8" hole

San Jose perms: 1552-1564, 1581-1615'. Sqz'd w/ 75 sx 8/6/2005

Nacimiento 2044'

Plug #2: 2094' - 1994'
Class B cement, 17 sxs

Ojo Alamo 3202'

Ojo Alamo perms: 3212-3244'. Sqz'd w/ 75 sx 8/5/2005.

Kirtland 3418'

Fruitland 3657'

Plug #1: 3722' - 3152'
Class B cement, 71 sxs
Set CR @ 3722'

Window from 3754-3765'

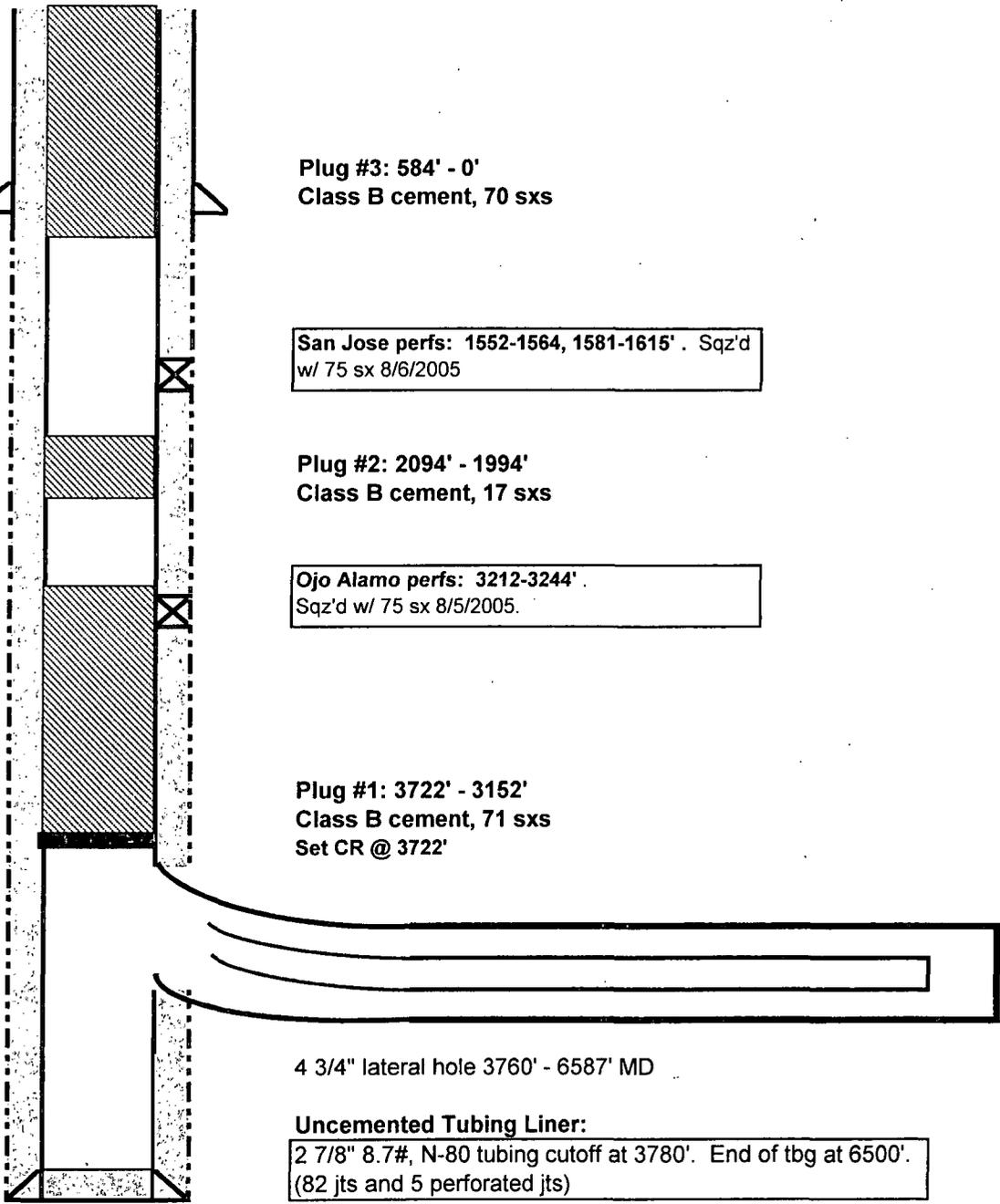
Pict Cliffs 3772'

4 3/4" lateral hole 3760' - 6587' MD

5 1/2" 15.5# J-55 prod casing set @ 4039'. Cmt w/ 720 sx, circ 100 sx to surface.

Uncemented Tubing Liner:
2 7/8" 8.7#, N-80 tubing cutoff at 3780'. End of tbg at 6500'. (82 jts and 5 perforated jts)

PBTD = 3985'
TD = 4060'



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Jicarilla 458-05 #2

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

Note: Operator reports very high concentrations of H₂S 1085 ppm GSV at this location from the Ojo Alamo formation. It is imperative that H₂S monitoring and safety equipment be on location during the P&A operations at this wellsite.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.