

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

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 reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address
PO Box 249 Bloomfield, NM 87413

3b. Phone No. (include area code)
505.634.1111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**560' FNL & 865' FWL
Sec. 21, T-29N, R02W Unit D NW/NW**

5. Lease Serial No.
MDA 701980013 Tract 4

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

7. If Unit or CA/Agreement, Name and/or No.
32537

8. Well Name and No.
Jicarilla 29-02-21 No. 1

9. API Well No.
30-039-27463

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
Rio Arriba, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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 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 recompletion 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.)

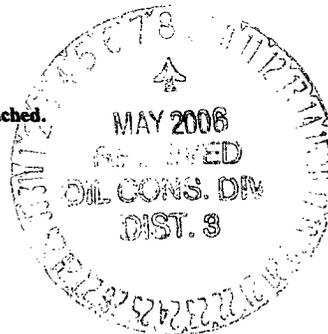
Black Hills Gas Resources, Inc. temporarily abandoned the above referenced well on 4/18/2006.

CIBP was set at 3395'.

Witnessed by Bryce Hammond of the BLM.

Mechanical Integrity Test and BJ Services Treatment Report attached.

chart on file



2006 MAY 2 PM 8 08
RECEIVED
070 FARMINGTON

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Aqath A Saleh

Title **Admin. Tech.**

Signature
Aqath A Saleh

Date **04/24/2006**

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____
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 _____ Date **MAY 05 2006**
Office **FARMINGTON FIELD 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 to 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)

NHOC

STIMULATION TREATMENT REPORT



Date 18-APR-06 District Farmington F.Receipt 216437302 Customer Black Hills Exploration
 Lease JICARILLA 29-02-21 1 Well Name JICARILLA 29-02-21 1
 Field BASIN Location 21D-29N-2W
 County Jicarilla - Rio Arriba State New Mexico Stage No 1 Well API - API 30039274630000

WELL DATA		Well Type: <u>OLD</u>	Well Class: <u>GAS</u>		Depth TD/PB: <u>0</u>		Formation: _____	
Geometry Type	Tubular Type	OD	Weight	ID	Grade	Top	Bottom	Perf Intervals
TUBULAR	CSG	4.5	10.5	4.052		0	3400	Top Bottom SPF Diameter
TUBULAR	TBG	2.375	4.7	1.995		0	3400	0 0 0 0
COMPLETION						0	1	

Packer Type _____ Packer Depth _____ FT

TREATMENT DATA				LIQUID PUMPED AND CAPACITIES IN BBLs.			
Fluid Type	Fluid Desc	Pumped Volume(Gals)	Prop. Description	Volume Pumped(Lbs)			
TREATMENT FLUID	WATER	3.486	110 PROPPAHT	Total Prop Qty: _____		Tubing Cap. <u>13.2</u>	
Previous Treatment <u>NO</u> Previous Production <u>NO</u>				Hole Loaded With <u>WATER</u> Treat Via: Tubing <input checked="" type="checkbox"/> Casing <input type="checkbox"/> Anul. <input type="checkbox"/> Tubing & Anul. <input type="checkbox"/>		Casing Cap. <u>0</u>	
Ball Sealers: _____ In _____ Stages Type _____				Auxiliary Materials <u>NONE</u>		Annular Cap. <u>62.4</u>	
						Open Hole Cap. <u>0</u>	
						Fluid to Load <u>78</u>	
						Pad Volume <u>0</u>	
						Treating Fluid <u>83</u>	
						Flush <u>0</u>	
						Overflush <u>0</u>	
						Fluid to Recover <u>83</u>	

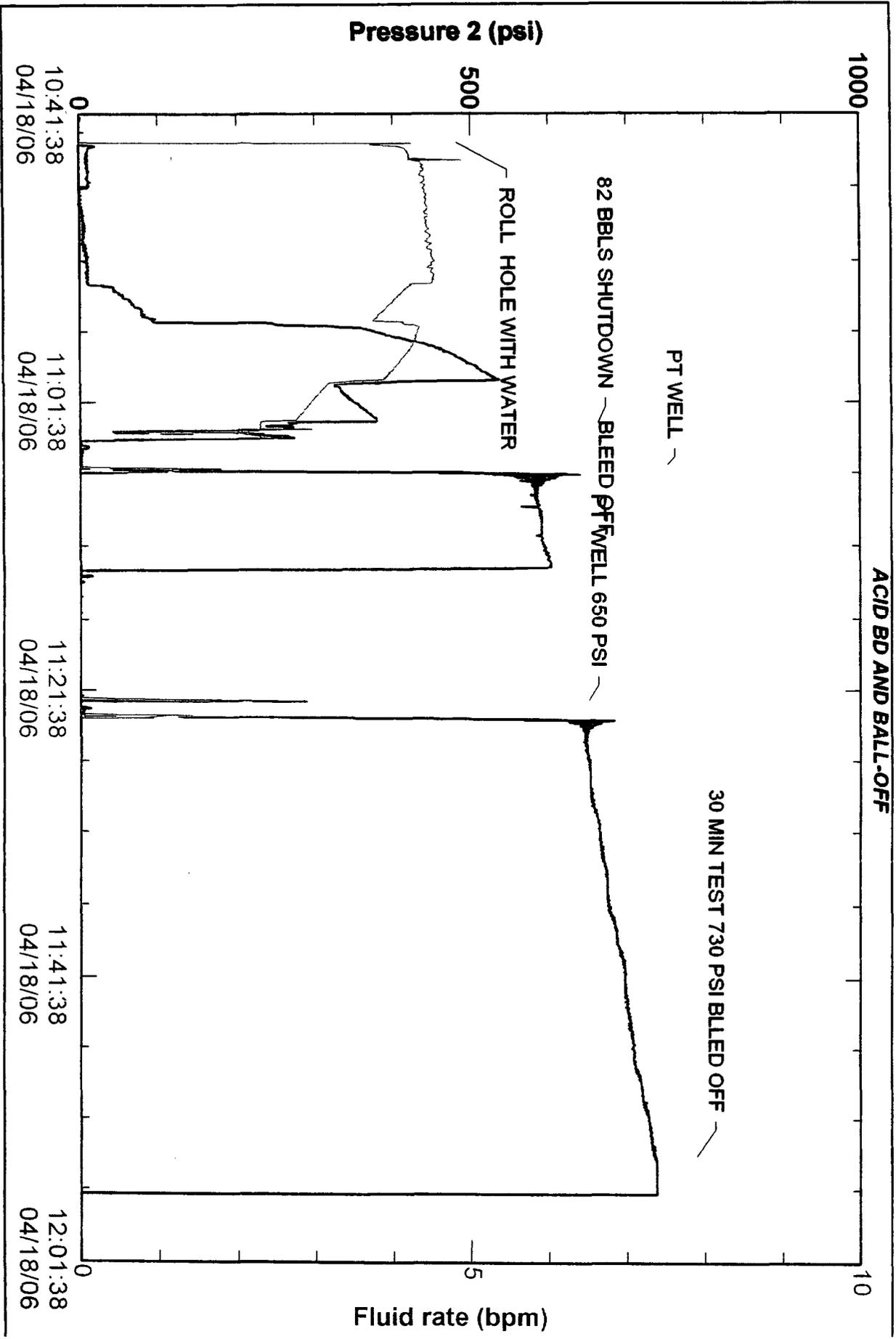
PROCEDURE SUMMARY

Time AM/PM	Treating Pressure-Psi		Surface Slurry BBLs. Pumped		Slurry Rate BPM	Comments
	STP	Annulus	Stage	Total		
05:00						ON YARD
05:45						OFF YARD
07:50						ON LOC
10:42	0			0	4.5	ROLL WELL WITH WATER
11:04	270			82	3	SHUTDOWN
11:05	585		.3	0	.5	PT CASING
11:15	600			.3	0	BLEED OFF
11:22	0		.3	0	.2	PRESSURE UP CASING
11:23	650			.3	0	@ PRESSURE
11:54	730			.3		BLEED DOWN

Treating Pressure		Injection Rates		Shut In Pressures		Customer Rep. MR MIKE ROMO	
Minimum	0	Treating Fluid	4.5	ISDP	0	BJ Rep.	Jay Savage
Maximum	730	Flush	4.5	5 Min.	670	Job Number	216437302
Average	650	Average	4	10 Min.	775	Rec. ID No.	
Operators Max. Pressure 1000				15 Min.	685	Distribution	
				Final	730 in 30 Min.		
				Flush Dens. lb./gal.	8.34		

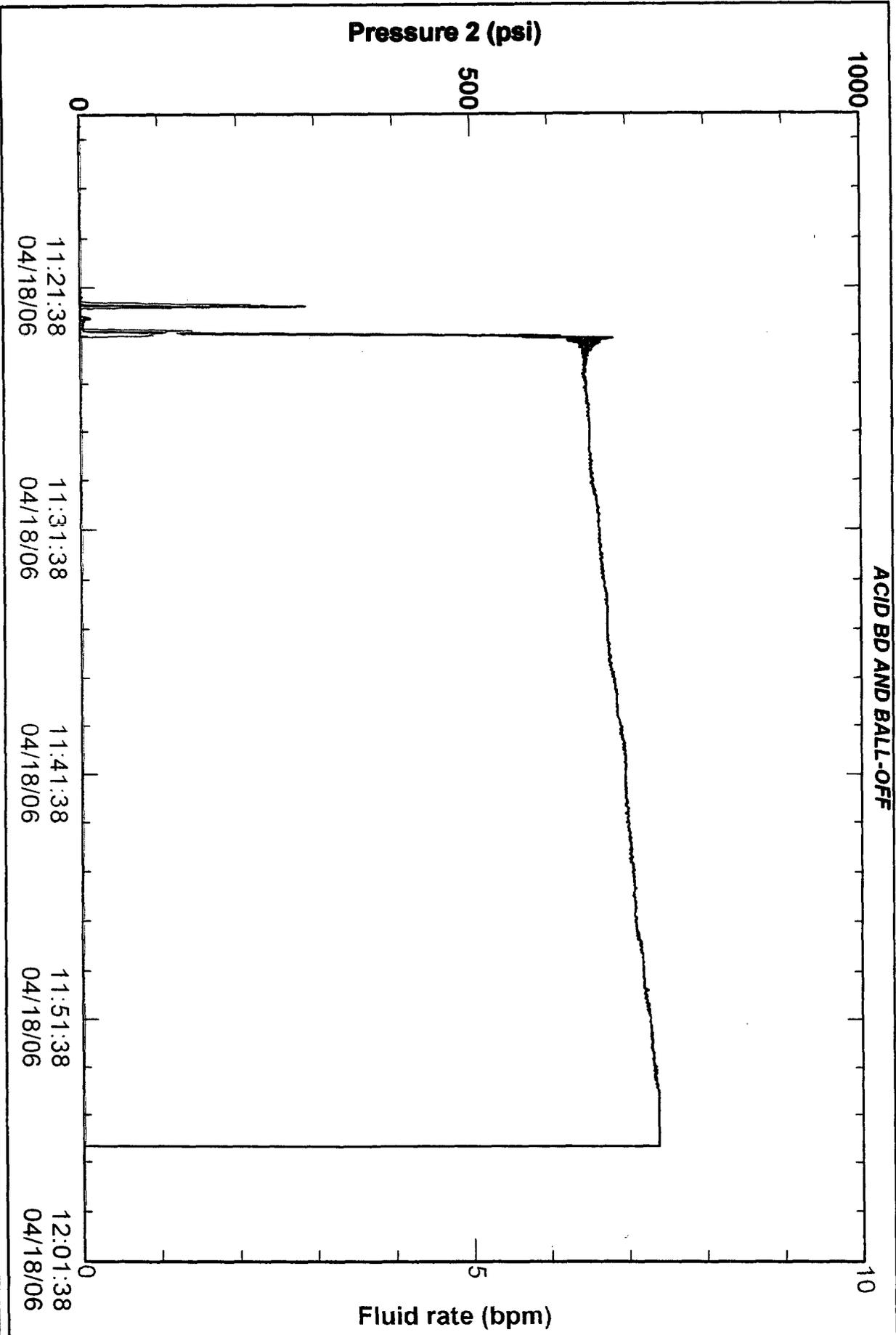


BJ Services JobMaster Program Version 3.10
Job Number: 432410119
Customer: WILLIAMS PRODUCTION
Well Name: NW CEDAR HILL32-10 10A





BJ Services JobMaster Program Version 3.10
Job Number: 4324101/9
Customer: WILLIAMS PRODUCTION
Well Name: NW CEDAR HILL32-10 10A





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

MECHANICAL INTEGRITY TEST REPORT (TA OR UIC)

Date of Test 4-18-06 Operator Black Hills Gas API # 30-039-27463

Property Name Jicarilla 29-02-21 Well # 1 Location: Unit D Sec 21 Twn 29N Rge 2W

Land Type:

State _____
Federal _____
Private _____
Indian X

Well Type:

Water Injection _____
Salt Water Disposal _____
Gas Injection _____
Producing Oil/Gas X
Pressure observation _____

Temporarily Abandoned Well (Y/N): _____ TA Expires: 4-18-2011

Casing Pres. _____ Tbg. SI Pres. _____ Max. Inj. Pres. _____
Bradenhead Pres. _____ Tbg. Inj. Pres. _____
Tubing Pres. _____
Int. Casing Pres. _____

Pressured annulus up to 650 psi. for 30 mins. Test passed/failed

REMARKS:

By Mike Romo
(Operator Representative)

Witness Accepted By Henry Villanueva ^{NMOC}
(NMOC)

Consultant
(Position)

Revised 02-11-02