

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-039-24645

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Simms

8. Well Number #7

9. OGRID Number

10. Pool name or Wildcat

East Blanco Pictured Cliffs

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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

2. Name of Operator

Black Hills Gas Resources, Inc.

3. Address of Operator

P.O. Box 259, Bloomfield, NM 87413

4. Well Location

Unit Letter P : 790 feet from the South line and 790 feet from the East lineSection 12 Township 30N Range 4W NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

6970', GL ; 6982' KB

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☒ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Black Hills Gas Resources intends to MIRU completion rig, pull tbq and set a retrievable bridge plug above all perforations @ +/- 3575 ft, pressure test, RDMO completion rig.

This temporary plug is required by the drilling contractor as a safety precaution prior to drilling the Many Canyons 30-04-12 #44H well on the same well pad.

The anticipated drilling time for the drilling is 15-20 days.

verbal approval
from S. Hayden 8-04-06
LD.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE [Signature] TITLE Consultant (Agent) DATE 8-04-06Type or print name Loren Diede E-mail address: lddcsi@yahoo.com Telephone No. 505 634-1111

For State Use Only

APPROVED BY: H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 43 DATE AUG 04 2006

Conditions of Approval (if any):

8

Black Hills Gas Resources

TA Procedure

For the

Simms Com #7

API # 30-039-24645

SE SE Sec 12, T30N – R04W

Rio Arriba County, New Mexico

GL: 6970', KB: 6982', PBTD: 3855'

Surface casing: 8-5/8", 24 lb/ft, J-55 Casing @ 138', TOC=surf.
Production casing: 4 1/2" 10.5 lb/ft, J-55 Casing @ 3988', TOC = surf.
Current prod tubing: 2 3/8" 4.7 lb/ft, J-55 @ 3729
Current pump/ rods:
Current Perforated Zones:

Pictured Cliffs: 3635-3638'
3640-3645'
3647-3656'
3658-3678'
3682-3685'
3700-3706'
3724-3726'

Proposed Work: TA well

1. MIRU completion rig.
2. ND WH, NU BOP.
3. Pull 2 3/8" production tubing.
4. TIH with bit and scraper to at least 3600'. TOOH.
5. TIH with tubing, set a RBP @ +/- 3575'.
6. Pressure test casing and RBP to 200 +/- psi. Report pressure test. TOOH with tubing, lay down tubing and send to Tuboscope for inspection.
7. RDMO

Initiated by:

Loren Diede 8-03-06

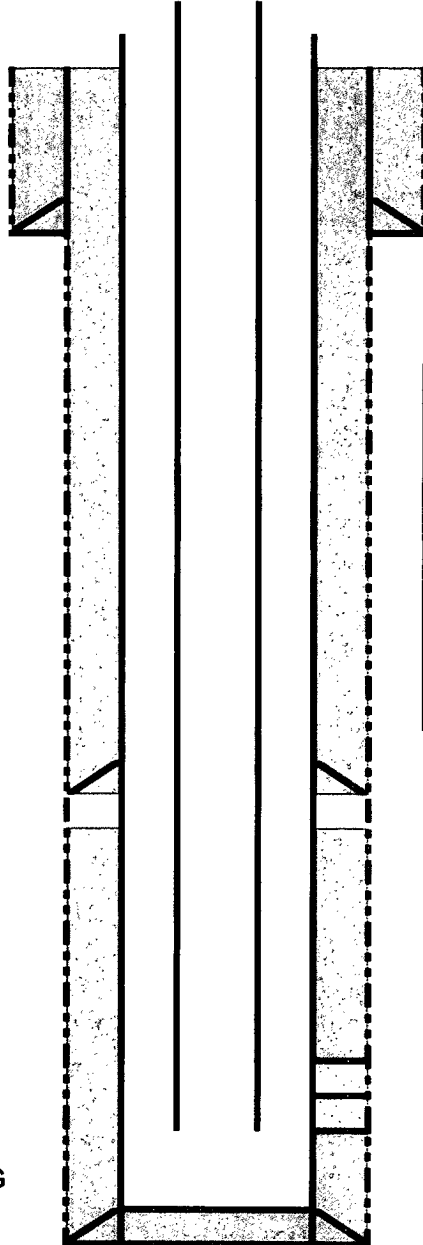
Approved by:

Leslie Lam

Simms Com #7
Current WB Dia
API # 30-039-24645
SE SE, Sec 12, T30N, R4W Rio Arriba, NM

Elev. GL 6970'
Elev. KB 6982'

SURF CSG
8 5/8" @ 138', TOC
surf



PROD TBG DETAIL:	KB	10
117 jts 2 3/8" J-55 tbg		3687.6
SN		0.8
1 jt 2 3/8"		31.2
EOT		3729.12

DV tool @ 2019'

PROD CSG

4 1/2" 10.5#, J-55
@3988' MD cmt; STG
1; Class B 2%
Econolite + 350 sx
50/50/2 STG 2; 425
sx Class B + 2%
econolite + 50 sx
Class B. Circ stg 2
cement to surface
TOC surf

PC perms; 7-25-1990; 3635-3638, 3640-3645, 3647-3656,
3658-3678, 3682-3685, 3700-3706, 3724-3726. 103 holes.
BD 500 gal 7 1/2% HCl. Pump step-rate test. Frac 7-26-
1990. 75000 gal 70% N2 foam 100000 20/40 sand 30 bpm.

PBTD=3855' (10-05-1993)
TD=4025'

Prepared: 3-Aug-06
LD