

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-039-29971
5. Indicate Type of Lease: STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name MANY CANYONS 30-04-12
8. Well Number: #44
9. OGRID Number: 013925
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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator BLACK HILLS GAS RESOURCES, INC.
3. Address of Operator: c/o Agent, Mike Pippin LLC 3104 N. Sullivan, Farmington, NM 87401 505-327-4573

4. Well Location Unit Letter <u>P</u> : <u>755</u> feet from the <u>South</u> line and <u>885</u> feet from the <u>East</u> line Section <u>12</u> Township <u>30N</u> Range <u>4W</u> NMPM Rio Arriba County	11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>6970' GL</u>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: <u>12</u> 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: Drill PC horizontal Lateral & Complete ☒

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.

8/17/06 Mill 4-3/4" window in 5-1/2" csg @ 3643'-53'. Drilled 4-3/4" horizontal PC hole to MD 6817'. Ran 2-7/8" 7.9# & 8.7# N-80 & P-110 production liner w/6 preperfed & plugged jts to MD 6412' w/on/off tool @ 3184'. Released drilling rig 8/28/06.

8/30/06: ^(hit ledge) MIRUSU. TIH w/2-7/8" workstring & engage on/off tool. Work 2-7/8" production liner into hole to MD 6748' w/ on/off tool @ 3596'. TOH w/2-7/8" workstring. Landed 2-3/8" 4.7# J-55 tbg in on/off tool @ 3596'. Pump 1344 gal 20% HCL acid in 75Q N2 to dissolve plugs in perms. Swab well Tested 0 MCF/D. Released rig 9/2/06.

OH - 6748 - 6817' per Moran 9-12-06

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 NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Mike Pippin TITLE Agent, Petroleum Engineer DATE 9/8/06
Type or print name Mike Pippin E-mail address: mike@pippinllc.com Telephone No.: 505-327-4573

For State Use Only

APPROVED BY: A. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE SEP 08 2006
Conditions of Approval (if any):