

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED

OMB NO. 1004-0137

Expires: November 30, 2000

RCVD JAN 9 07

OIL CONS. DIV

DIST. 2

1a. Type of Well ☐ Oil Well ☒ Gas ☐ Dry Other
b. Type of Completion: ☒ New ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other

2. Name of Operator

Black Hills Gas Resources, Inc. c/o Mike Pippin LLC (Agent)

3. Address

3104. N. Sullivan, Farmington, NM 87401

3a. Phone No. (include area code)

505-327-4573

4. Location of Well (Report locations clearly and in accordance with Federal requirements)*

At surface

2410' FSL & 1515' FWL Unit (K) Sec. 10 T30N R3W

At top prod. interval reported below

At total depth

14. Date Spudded

06/25/06

15. Date T.D. Reached

07/16/06

16. Date Completed

☐ D & A ☒ Ready to Prod.
12/23/06

18. Total Depth: MD

8683'

TVD

19. Plug Back T.D.: MD

8490'

TVD

20. Depth Bridge Plug Set: MD

8520'

TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

INDUCTION, DENSITY/NEUTRON, CBL

22. Was well cored? ☒ No ☐ Yes (Submit copy)Was DST run? ☒ No ☐ Yes (Submit copy)Directional Survey? ☐ No ☒ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36# J-55	0'	318'		165 Type G	35	0' - circ	
8-3/4"	7"	23# N-80	0'	3822'		385 sx 65/35 POZ	133		
						205 sx 50/50 POZ	71	0' - circ	
6-1/4"	4-1/2"	11.6# P110	3586'	8683'		573 sx Type III	182	5050' - CBL **	

24. Tubing Record

**squeezed liner top @ 3586'. Cmt down to 4150'.

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2-3/8"	8199'							
		CIBP @ 8520'						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Greenhorn			8025' - 8203'		29	Open
B) Lower Mancos			7862' - 7948'	0.35"	26	Open
C) Middle Mancos			7470' - 7805'		104	Open
D) Upper Mancos			6822' - 7406'	0.35"	120	Open

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and type of Material
8025' - 8203'	840 gal 7-1/2% HCL. Fraced w/36,595# sand in 20Q CO2.
7862' - 7948'	1350 gal 7-1/2% HCL. Fraced w/20,000# tempered LC sand in 25# X-Linked gel
7470' - 7805'	1428 gal 7-1/2% HCL acid. Fraced w/83,000# super LC sand in 25# gel.
6822' - 7406'	7403'-06' fraced w/7000# Ottawa sand, 7241'-44' fraced w/2400# LC sand in X-linked gel.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Ready	10/06/06	→	→						Flowing
Choke Size	Tbg Press Flwg PSI	Csg. Press.	24-Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
1/8"	150	→	→		57				Shut-in

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Ready	10/27/06	→	→						Swabbed
Choke Size	Tbg Press Flwg SI	Csg. Press.	24-Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
1/4"	15	→	→		44				Shut-in

(See instructions and spaces for additional data on reverse side)

NMOCD

ACCEPTED FOR RECORD

JAN 6 2007

FARMINGTON FIELD OFFICE
BY TL Salvers

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Ready	11/07/06	12	→		133				Flowing
Choke Size	Tbg. Press. Flwg. PSI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
1/8"	750		→		265				Shut-in

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Ready	**See #29		→						Flowing
Choke Size	Tbg. Press. Flwg. PSI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						Shut-in

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Vented **All intervals together tested on 12/22/06 on 1/4" choke for 16 hrs. for 400 psi and 611 MCF/D.

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Mancos	6630'	7456'	GAS	San Jose	surface
				Ojo Alamo	e 3173'
				Pictured Cliffs	e 3682'
				Lewis	e 3804'
				Cliffhouse	5670'
				Point Lookout	6104'
				Mancos	6630'
				Gallup	7456'
				Dakota	8356'
				Morrison	8625'

32. Additional remarks (include plugging procedure):

JICARILLA 457-10 #708 Mancos
CIBP @ 8520' NSL-5529

(Isolate Dakota)

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 5. Core Analysis | 7. Other: | |

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Mike Pippin 505-327-4573 Title Petroleum Engineer (Agent)

Signature *Mike Pippin* Date January 2, 2007

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.