

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB 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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Contract 457
2. Name of Operator Black Hills Gas Resources, Inc.		6. If Indian, Allottee, or Tribe Name Jicarilla Apache Tribe
3a. Address P.O. Box 249 Bloomfield, NM 87413	3b. Phone No. (include area code) 505-634-1111	7. If Unit or CA. Agreement Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit K, Sec 10, T30N, R03W 2400' FSL & 1500' FWL		8. Well Name and No. Jicarilla 457-10 #8
		9. API Well No. 30-039-25783
		10. Field and Pool, or Exploratory Area East Blanco Pictured Cliffs
		11. County or Parish, State Rio Arriba, NM

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 checked="" 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 recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. 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 recompleation 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 reclamentation, have been completed, and the operator has determined that the site is ready for final inspection.)

Black Hills Gas Resources intends to plug back this well as per the attached procedure dated 4-01-2007. The Jicarilla Tribal Office of Water Administration has requested that this well be transferred to them for use as a water supply well after the plug back to the areed-upon depth reflected in the attached procedure. The letter of transfer will be forthcoming.



14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) Loren Diede		Title Consultant (Agent)
Signature 		Date April 10, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title Office	Date APR 10 2007
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 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)

NMOC

**PLUG AND ABANDONMENT PROCEDURE
(Convert to Water Well)**

April 1, 2007

Jicarilla 457 - 10 #8

East Blanco Pictured Cliffs
2400' FSL & 1500' FWL, SW, Section 10, T30N, R3W
Rio Arriba County, New Mexico, API #30-039-25783

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

1. This project will use a steel pit for holding waste fluids.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Black Hills safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line and blow down well; kill with water as necessary. ND wellhead and NU BOP. Test BOP.
3. Prepare a 2.375" tubing workstring. PU the appropriate bridge plug retrieving head and TIH. Wash down if necessary and then release the existing Retrievable Bridge Plug at 3100'. TOH and LD RBP. Round trip 5.5" casing scraper or gauge ring to 3650'.
4. **Plug #1 (Pictured Cliffs perforations and Fruitland, Kirtland and Ojo Alamo tops, 3734' – 3122')**: TIH and set a 5.5" CR at 3635'. Pressure test tubing to 1000#. *Pressure test casing to 800#. If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix and pump 90 sxs cement, squeeze 20 sxs below the CR to fill the PC perforations and then spot 57 sxs cement above the CR to cover the Fruitland, Kirtland and Ojo Alamo tops. PUH to 2130'.
5. **Plug #2 (Nacimiento top, 2350' – 2250')**: Mix 16 sxs cement and spot a balanced plug inside the casing to cover below the Nacimiento top (Jicarilla Tribe has chosen this plugback depth). Pull up hole to 2200' and reverse circulate well clean. TOH and LD tubing.
6. ND BOP and ND wellhead. RD and MOL. Restore location per BLM stipulations.

Jicarilla 457-10 #8

Current

East Blanco Pictured Cliffs

2400' FSL & 1500' FWL, SW, Section 10, T-30-N, R-3-W

Rio Arriba County, NM / API #30-039-25783

Today's Date: 4/01/07

Spud: 4/9/98

Completion: 8/16/98

Elevation: 7197' GI
7209' KB

12.25" hole

8.625" 24#, K-55 Casing set @ 542'
Cement with 300 sxs (Circulated to Surface)

WELL HISTORY

Jun '02: T&A well with CIBP at 3127'. PT to 500#. MIT okay. Bruce Martin, NMOCD, witnessed test.

May '05: Black Hills Gas Resources re-completed the well in the East Blanco PC formation.

Jun '06: Black Hills Gas Resources set an RBP at 3100' so that a twin Dakota well could be drilled on the same pad. Decision was made to P&A well.

RBP set at 3100' (2006)

Ojo Alamo Perforations:
3177' – 3310'
Squeezed with 250 sxs cement
(1999)

Pictured Cliffs Perforations:
3685' – 3734'

5.5" 15.5#, J-55 Casing set @ 3925'
Cemented with 530 sxs
Circulate 45 sxs to pit per report

San Jose @ 1506'

Nacimiento @ 2080'

Ojo Alamo @ 3172'

Kirtland @ 3381'

Fruitland Coal @ 3497'

Pictured Cliffs @ 3676'

7.875" hole

TD 3985'
PBD 3908'

Jicarilla 457-10 #8
PC P&A – Plugback to Water Well

East Blanco Pictured Cliffs

2400' FSL & 1500' FWL, SW, Section 10, T-30-N, R-3-W

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San Jose @ 1506'

Nacimiento @ 2080'

Plug #2: 2350' – 2250'
Type III cement, 16 sxs

Ojo Alamo @ 3172'

Ojo Alamo Perforations:
3177' – 3310'
Squeezed with 250 sxs cement (1999)

Kirtland @ 3381'

Plug #1: 3734' – 3122'
Type III cement, 97 sxs:
20 sxs below CR and
57 sxs above.

Fruitland Coal @ 3497'

Set CR @ 3635'

Pictured Cliffs @ 3676'

Pictured Cliffs Perforations:
3685' – 3734'

7.875" hole

5.5" 15.5#, J-55 Casing set @ 3925'
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Circulate 45 sxs to pit per report

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