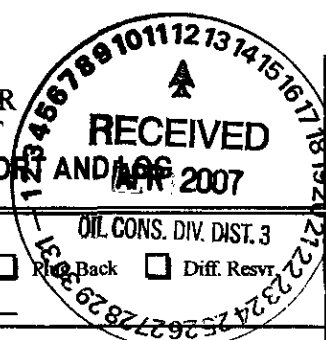


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000



1a. Type of Well ☐ Oil Well ☒ Gas ☐ Dry Other
b. Type of Completion: ☒ New ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resrv.
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 **1456' FNL & 1476' FWL Unit (F) Sec. 21, T30N, R3W**

At top prod. interval reported below **1398' FNL & 1525' FWL Unit (F) Sec. 21, T30N, R3W**

At total depth **1574' FNL & 2132' FEL Unit (G) Sec. 21, T30N, R3W**

14. Date Spudded

06/18/98

15. Date T.D. Reached

06/25/98

16. Date Completed

☐ D & A ☒ Ready to Prod.
03/30/07

18. Total Depth: MD

**5517'
TVD 3792'**

19. Plug Back T.D.: MD

**5517'
TVD 3792'**

20. Depth Bridge Plug Set: MD

TVD

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

Induction & Density/Neutron

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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8"	25	0'	542'		300, H		0' - circ	0'
7-7/8"	5-1/2"	15.5	0'	4013'		575		0' - circ	0'
4-3/4"	2-7/8"	7.9&8.7#	3717'	5517'		NONE			0'

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2-3/8"	3717'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Pictured Cliffs	3784'	3876'	6 pre-perf joints	0.75"	168	Open
	TVD	TVD	w/28 holes/jt w/tops @			
			MD5473', 5097', 4721'			
			4348', 3972', 3846'			

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

Depth Interval	Amount and type of Material
MD3846'-5517'	Horizontal PC lateral - No formation stimulation - See Attached Wellbore Diagram

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	03/30/07	8	→		0				Flowing
Choke Size	Thg Press Flwg. PSI	Csg. Press.	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas - Oil Ratio	Well Status	
			→		0				Ready

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
			→						
Choke Size	Thg Press Flwg. SI	Csg. Press.	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas - Oil Ratio	Well Status	
			→						

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

5. Lease Serial No.
Contract 460

6. If Indian, Allottee or Tribe Name

Jicarilla Apache Tribe

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.

Jicarilla 460-21 #1

9. API Well No.

30-039-25866

10. Field and Pool, or Exploratory

East Blanco Pictured Cliffs

11. Sec., T., R., M., or Block and

Survey or Area **F 21 T30N R3W**

12. County or Parish

Rio Arriba

13. State

NM

17. Elevations (DF, RKB, RT, GL)*

7269' GL & 7281' KB

20. Depth Bridge Plug Set: MD

TVD

22. Was well cored? ☒ No ☐ Yes (Submit copy)

Was DST run? ☒ No ☐ Yes (Submit copy)

Directional Survey? ☐ No ☒ Yes (Submit copy)

ACCEPTED FOR RECORD

APR 10 2007

NMCO

FARMINGTON FIELD OFFICE

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
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

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
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

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

Vent

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	
Pictured Cliffs	3784'	3876'	GAS		TVD	MD
					Surface	
				San Jose	2076'	2076'
				Nacimiento	3268'	3268'
				Ojo Alamo	3492'	3492'
				Kirtland	3685'	3685'
				Fruitland	3784'	3784'
				Pictured Cliffs	3876'	
				Lewis		

32. Additional remarks (include plugging procedure):

JICARILLA 460-21 #1 PC Horizontal Lateral Window in 5-1/2" csg @ MD3773'-83' - See Attached Wellbore Diagram

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 March 30, 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.