Form 3160- 5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004- 0137
Expires: March 31, 2007

CINDDY NATICES AND DEPARTS ON V	

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.

Well

Vell

X Gas Well

Other

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee, or Tribe Name and/or No.

1 If Unit of CA: Agreement Name and/or No.

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8. Well Name and No.

Type of Well Oil Well Name of Operator Jicarilla 29-02-05 #3 Black Hills Gas Resources, Inc. API Well No. 3a. Address 3b. Phone No. (include area code) 30-039-26859 P.O. Box 249 Bloomfield, NM 87413 505-634-1111 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) **East Blanco Pictured Cliffs** 11. County or Parish, State Unit F, Sec 5, T29N, R02W 2080' FNL & 1820' FWL Rio Arriba, NM

TYPE OF SUBMISSION	TYPE OF ACTION				
X Notice of Intent	Acidize	Deepen	Production (Start/ Resume)	Water Shut-off	
	Altering Casing	Fracture Treat	Reclamation	Well Integrity	
Subsequent Report	Casing Repair	New Construction	Recomplete	Other	
	Change Plans	Y Plug and abandon	Temporarily Abandon		
Final Abandonment Notice	Convert to Injection	X Plug back	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 recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will 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 recompletion 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 reclamantion, 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 4-10-2007. 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

Signature

Date

April 10, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any are attached. Approval of this notice does not warrant of

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, fictitiousor fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

certify that the applicant holds legal or equitable title to those rights in the subject leas

to

conduct

operations

would entitle the applicant



PLUG AND ABANDONMENT PROCDURE (Convert to Water Well)

Jicarilla 29-02-05 #3

April 10, 2007

East Blanco Pictured Cliffs 2080' FNL & 1820' FWL, NW, Section 5, T29N, R2W Rio Arriba County, New Mexico, API #30-039-26859

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 waste fluid pit.
- 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. TOH and tally 2.375" tubing, total tally, 3904' with SN at 3867'. If necessary LD tubing and PU workstring. Round trip 5.5" gauge ring or casing scraper to 3880'.
- 4. Plug #1 (Pictured Ciiffs perforations and Fruitland and Kirtland tops, 3937' 3738'): TIH and set CR at 3862'. Mix and pump 30 sxs Type III cement, squeeze 16 sxs below the CR to fill the PC perforations and then spot 14 sxs inside the casing above CR to cover the Fruitland and Kirtland tops. Pull up to 2708' and reverse circulate the well clean. TOH and LD the tubing.
- 5. ND BOP and NU wellhead. RD and MOL. Restore location per BLM stipulations.

Jicarilla 29-02-05 #3

Current

East Blanco Pictured Cliffs

2080' FNL & 1820' FWL, NW, Section 5, T-29-N, R-2-W

Rio Arriba County, NM / API #30-039-26859

Today's Date: 4/02/07

Spud: 7/8/03

Completion: 8/21/03

Elevation: 7599' GI

7614' KB

12.25" hole

TOC @ Surface, circ 75 bbls per sundry

8.625" 24#, J-55 Casing set @ 271' Cement with 155 sxs (Circulated to Surface)

WELL HISTORY

Dec '04: Bradenhead test; no flow.

Nacimiento @ 2658'

Ojo Alamo @ 3541'

Kirtland @ 3738'

Fruitland @ 3810'

Pictured Cliffs @ 3912'

2.375" Tubing at 3904' (124 joints, SN @ 3867')

Pictured Cliffs Perforations: 3912' – 3937'

5.5" 15.5#, K-55 Casing set @ 4057' Cemented with 900 sxs, Circulated 75 bbls to surface per sundry

7.875* hole

TD 4060' PBTD 4013'

Jicarilla 29-02-05 #3 PC P&A - Plug Back to Water Well

East Blanco Pictured Cliffs 2080' FNL & 1820' FWL, NW, Section 5, T-29-N, R-2-W Rio Arriba County, NM / API #30-039-26859

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TD 4060' **PBTD 4013**' TOC @ Surface, circ 75 bbls per sundry

8.625" 24#, J-55 Casing set @ 271' Cement with 155 sxs (Circulated to Surface)

Plug #1: 3937' - 3738' Type III cement, 30 sxs: 16 sxs below CR and 14 sxs above

Set CR @ 3862'

Pictured Cliffs Perforations: 3912' - 3937'

5.5" 15.5#, K-55 Casing set @ 4057' Cemented with 900 sxs, Circulated 75 bbls to surface per sundry