Form 3160- 5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No 1004- 0137

(April 2004)	DEPARTMENT			1	
	BUREAU OF LA	AND MANAGEME	NT	5. Lease Serial N	expires: March 31, 2007
	NDRY NOTICES A			J. Lease Senal N	Contract 451
	not use this form for p			1	ttee, or Tribe Name
· · · · · · · · · · · · · · · · · · ·	doned well. Use Form				carilla Apache Tribe Agreement Name and/or No.
1. Type of Well	RIPLICATE - Other Ir			-1'. If Ollifor CA.	Agreement Name and/or No.
Oil Well X Gas Well		UCT 1 0 200		8. Well Name an	d No.
2. Name of Operator	i.	Juleau of Land Mana Famington Field O	jem en t ffice	Jicarilla 451 #1	
Black Hills Gas Resources, Inc. 3a. Address			include area code)	9. API Well No.	30-039-23342
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	on)		Basin Fruitland (Coal/ Blanco Mesa Verde
Sec 4, T29N, R03V	W 1650 FSL & 1'	750 FWL		11. County or Pa	rish, State
				R	io Arriba, NM
12. CHECK APPRO	PRIATE BOX(S) TO I	NDICATE NATURE	OF NOTICE, REPO		
TYPE OF SUBMISSION			TYPE OF ACTION		
Notice of Intent	Acidize	Deepen	Production (Start/ Resume)	Water Shut-off
<u> </u>	Altering Casing	Fracture Treat	Reclamation		Well Integrity
Subsequent Report	Casing Repair	New Constructio	n Recomplete		Other
	Change Plans	X Plug and abandon	Temporarily	Abandon	
'13. Describe Proposed or Completed If the proposal is to deepen direct Attach the Bond under which the following completion of the involvesting has been completed. Final determined that the site is ready for	Convert to Injectic Operation (clearly state all per ionally or recomplete horizonta work will performed or provid- ved operations. If the operation Abandonment Notice shall be	tinent details including estima ally, give subsurface locations e the Bond No. on file with the results in a multiple completi	and measured and true ve e BLM/ BIA. Required su on or recompletion in a ne	oposed work and app rtical depths or pertir bsequent reports shal w interval, a Form 3	nent markers and sands. Il be filed within 30 days 160-4 shall be filed once
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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, fictitiousor fraudulent statements or representations as to any matter within its jurisdiction.

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499 505-325-2627 * fax: 505-325-1211

Black Hills Gas Resources, Inc. Jicarilla 451 #1

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1650' FSL & 1750' FWL, Section 4, T-29-N, R-3-W Rio Arriba County, NM Lease Number: Jicarilla Contract 451 API #30-039-23342

Plug & Abandonment Report

Notified JAT - BLM & NMOCD on 9/19/07

Work Summary:

- 9/19/07 MOL and RU. Open well, no pressure. ND wellhead. NU BOP, test. Shut in well. SDFD.
- 9/20/07 Open well, no pressure. TIH with 4.75" drill bit, bit sub, 6 3.125" drill collars, cross over and 109 joints 2.375" A-Plus workstring and tag existing CR at 3600'. Establish circulation. RU power swivel. Attempt to drill CR at 3600'. Shut down for rig repairs. Shut in well. SDFD.
- 9/21/07 Open well, no pressure. Establish circulation. Drill on CR at 3600' for 1 hour. Made 1' of hole and broke through. Hang back power swivel. TIH with tubing and tag cement at 4170'. Make up power swivel to tubing and establish circulation. Drill cement from 4170' to 4268' and broke through. Hang back power swivel. TIH and tag CIBP at 5900'. Make up power swivel to tubing and establish circulation. Drill CIBP at 5900' for ½ hour. Made 8' of hole and broke through. Hang back power swivel. TIH with tubing and tag fill at 6320'. Make up power swivel to tubing and establish circulation. Ream down from 6320' to 6350', solid tag at 6350'. Circulate hole at 3 bpm until hole clean. RD and LD power swivel. PUH to 3300'. Shut in well. SDFD.
- 9/24/07 Check well pressures: tubing, 180 PSI; casing, 50 PSI; bradenhead, 0 PSI. Blow well down to pit. TOH with 2.375" tubing, cross over, 6 3.125" drill collars, bit sub and bit. TIH with tubing with plugging sub and tag CR at 6350'. Load hole with 10 bbls of water. Attempt to pressure test casing, pump 2 bpm at 300 PSI. Bryce Hammond, BLM JAT, approved procedure change to combine plug #1 and #2.

 Plug #1 with existing CR at 6350', spot 38 sxs Type III cement (51 cf) inside casing

from 6350' up to 5978' to cover the CR set at 6350' and fill the Mesaverde perforations.

PUH to 5978'. Load casing with 20 bbls of water, 1/8 returns from tubing. Load tubing with 15 bbls of water. Shut in well and WOC.

TIH with tubing and tag cement high at 5795'. Load casing with 30 bbls of water and circulate out tubing. Wayne Townsend, BLM, to perforate at TOC and attempt block squeeze for Mesaverde plug.

TOH and LD all tubing. Shut in well. SDFD.

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Black Hills Gas Resources, Inc. Jicarilla 451 #1

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Work Summary – Continued:

9/25/07 Open well, no pressure. Load hole with 17 bbls of water. Attempt to pressure test casing to 500 PSI, bled down to 200 PSI in 30 seconds. RIH with 5.5" gauge ring; unable to go deeper than 1650'. POH. Note: paraffin on gauge ring. TIH with 5.5" casing scraper to 5790'; stacked out. TOH and LD scraper. RIH with wireline and tag fill at 5790'. PUH 2'. Perforate 3 holes at 5788'. Load hole with 11 bbls of water. Attempt to pressure test casing to 500 PSI, bled down to 200 PSI in 30 seconds. TIH with 5.5" DHS CR and set at 5757'. Load tubing with 10 bbls of water. Pressure test tubing to 1500 PSI, held OK. Sting out of CR and out 5.5" casing to isolate the Mesaverde interval. Circulate 1 bbl of water out casing valve. Attempt to pressure test casing to 500 PSI, bled down to 200 PSI in 30 second. Sting into CR. Establish rate 1 bpm at 1000 PSI.

Plug #2 with CR at 5757', mix and pump 86 sxs Type III cement (114 cf), displace cement to EOT. Sting into CR. Pump 75 sxs below CR. Final rate ½ bpm at 1500 PSI. Sting out of CR. Leave 11 sxs above CR from 5757' up to 5649'. PUH with tubing. Shut in well and WOC overnight. SDFD.

9/26/07 Open well, no pressure. TIH and tag cement at 5634'. TOH with tubing. Load hole with 15 bbls of water. Perforate 3 squeeze holes at 4840'. Attempt to pressure test casing to 500 PSI, bled down to 200 PSI in 30 seconds. RIH with 5.5" PlugWell wireline CR and set at 4790'. Load tubing with water and circulate 1 bbl of water out the casing valve. Attempt to pressure test casing to 500 PSI, bled down to 200 PSI in 30 seconds. Sting into CR. Establish rate 1 bpm at 800 PSI. Sting out of CR. Plug #3 with CR at 4790, mix and pump 44 sxs Type III cement (59 cf) with 2% CaCl₂, displace cement to EOT. Sting into CR. Pump 33 sxs below CR and outside the 5.5" casing. Sting out of CR. Leave 11 sxs above CR from 4790' up to 4682' to cover the Chacra top.

PUH and WOC. TIH with tubing and tag cement at 4675'. PUH to 4207'. Load hole with 1 bbl of water. Attempt to pressure test casing to 500 PSI, bled down to 200 PSI in 30 seconds.

Plug #4 spot 70 sxs Type III cement (93 cf) inside casing from 4207' up to 3516' to cover the Pictured Cliffs top and to fill the Fruitland perforations and cover the Fruitland top.

PUH to 3580'. Reverse circulate 20 bbls out tubing, leaving TOC at 3580'. PUH with tubing. Shut in well and WOC overnight. SDFD.

9/27/07 Open well, no pressure. TIH and tag cement low at 3620'. TOC approved by B. Hammond, BLM – JAT. Load hole with 1 bbl of water. Pressure test casing to 800 PSI, held OK for 5 minutes. PUH to 3535'. TOH with tubing. Perforate 3 holes at 3570'. Load casing with 6 bbls of water. Pressure test casing to 800 PSI, bled down to 500 PSI on 30 seconds. TIH with 5.5" DHS CR and set at 3535'. Pressure test tubing to 1500 PSI, held OK. Release and sting out of CR. Pressure test casing to 800 PSI, held OK. Sting into CR. Establish rate ½ bpm at 1500 PSI.

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Black Hills Gas Resources, Inc. **Jicarilla 451 #1**

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Work Summary – Continued:

9/27/07 Procedure change approved by S. Mason, BLM, to cover the Kirtland formation with inside plug and attempt inside/outside on Ojo Alamo top.

Plug #5 spot 12 sxs Type III cement (16 cf) inside casing from 3535' up to 3417' to cover the Kirtland top.

TOH with tubing. Perforate 3 holes at 3302'. Load hole with 7 bbls of water. Attempt to pressure test casing to 800 PSI, bled down to 500 PSI in 30 seconds. B.

Hammond, BLM – JAT, approved procedure change to cover the perforations with inside plug. TIH with plugging sub to 3353'.

Plug #6 spot 21 sxs Type III cement (28 cf) inside casing from 3353' up to 3146' to cover the Ojo Alamo top.

PUH with tubing. WOC overnight. SDFD.

9/28/07 Open well, no pressure. TIH and tag cement at 3203'. TOC approved by B. Hammond, JAT – BLM. TOH with tubing. Load hole with 5 bbls of water. Pressure test casing to 800 PSI, held OK. Perforate 3 holes at 2095'. Establish rate through squeeze holes 1 bpm at 800 PSI. TIH with 5.5" DHS CR and set at 2050'. Pressure test tubing to 1500 PSI. Sting into CR. Establish rate 2 bpm at 1000 PSI. Pressure test casing to 800 PSI, held OK.

Plug #7 with CR at 2050, mix and pump 43 sxs Type III cement (57 cf), squeeze 32 sxs outside the casing and leave 11 sxs inside casing from 2050' up to 1942' to cover the Nacimiento top.

TOH and LD all tubing. Perforate 3 holes at 574'. Load casing with water. Establish circulation out the bradenhead valve with 8 bbls of water. Establish rate 2 bpm at 800 PSI with 40 bbls of water.

Plug #8 mix and pump 167 sxs Type III cement (221 cf) down the 5.5" casing from 574' to surface, circulate good cement out the bradenhead valve.

Shut in well and WOC. Dig out wellhead. ND BOP. Monitor atmosphere. Issue Hot Work Permit. Cut off wellhead. Found cement at the surface in the 5.5" casing and in the annulus.

Mix 15 sxs Type III cement and install P&A marker.

RD and MOL.

Bryce Hammond and Waymore Callado, JAT-BLM representatives, were on location.