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

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.					5. Lease Serial No. Contract 458 6. If Indian, Allottee, or Tribe Name Jicarilla Apache Tribe 7. If Unit or CA. Agreement Name and/or No.	
SUBMIT IN TRIPLICATE - Other Instructions on reverse side.					deement name and of no.	
1. Type of Well Oil Well X Gas Well	Other	OCT 2 4 2007		8. Well Name and No.		
2. Name of Operator Black Hills Gas Resources, Inc. Bureau of Land Management					Jicarilla 458-08 #6	
Black Hills Gas Resources	9. API Well No.					
3a. Address Find Office 3a. (include area code)			ude area code)	30-039-25757		
P.O. Box 249 Bloomfield, NM 87413 505-634-1111			34-1111	10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., 7	East Blanco Pic	ctured Cliffs				
Unit C 1050' FNL & 1700' FWL, Sec 8, T30N, R03W					11. County or Parish, State	
•					Rio Arriba, NM	
12. CHECK APPRO	PRIATE BOX(S) TO IND	ICATE NATURE OF	NOTICE, REPOR	T, OR OTHER I	DATA	
TYPE OF SUBMISSION	TYPE OF ACTION					
X Notice of Intent	Acidize	Deepen	Production (S	tart/ Resume)	Water Shut-off	
	Altering Casing	Fracture Treat	Reclamation		Well Integrity	
Subsequent Report	Casing Repair	New Construction	Recomplete	[Other	
	Change Plans	Plug and abandon	Temporarily A	bandon	· · · · · · · · · · · · · · · · · · ·	
Final Abandonment Notice	Convert to Injection	Plug back	Water Disposa	ıl		

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 and abandon the Pictured Cliffs in this well as per the attached procedure dated 10-17-07. This will allow this PC-dedicated acreage to be utilized for a future Pictured Cliffs horizontal well. The Tertiary will remain available for production (Cabresto Canyon Tertiary 97037).

RCVD OCT 26'07 OIL CONS. DIV. DIST. 3

14. I hereby certify that the foregoing is true and correct.			
Name (Printed/ Typed)			
Loren Diede	Γitle	Consultant (Agent)	
Signature		Oct. 23,2007	
THIS SPACE FOR FEDER	RAL OR ST.	ATE OFFICE USE	
Original Signed: Stephen Mason	Title	Date OCT 2 5 2007	
Conditions of approval, if any are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lea which would entitle the applicant to conduct operations thereo	se Office		
Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime States any false, fictitiousor fraudulent statements or representations as to any matter with			

(Instructions on page 2)

Black Hills Gas Resources Jicarilla 458-08 #6

API # 30-039-25757

NE NW Sec 8, T30N, R3W

Rio Arriba County, New Mexico GL: 7179', KB: 7192', PBTD: 6358'

Surface casing:

8-5/8", 24 lb/ft, Casing @ 504', TOC = surf

Production casing:

 $5 \frac{1}{2}$ " 17 lb/ft, casing @ 6404', TOC = 380'

Current prod tubing:

2 3/8" 4.7# to 3748'. Packer above PC @ 3705'

Current pump/ rods:

Current Perforated Zones:

San Jose: 1588-1711 Ojo Alamo: 3216-3264 **Pictured Cliffs:** 3766-3851 **CIBP** 5900' **CIBP** 6003

Mesa Verde: 6016-6206

Proposed Work: P&A the MV and PC so that a lateral PC can be drilled into this dedicated PC acreage. Leave the Tertiary zones available for production.

Formation Tops:

Nacimiento: 2019 Ojo Alamo: 3215 Kirtland: 3429 **Fruitland Coal:** 3672 **Pictured Cliffs:** 3766 Lewis: 3861 Mesa Verde: 5746

- 1. General Note: Check that all regulatory requirements have been met and notify BLM inspector of the plugging schedule.
- 2. MIRU Workover rig, ND WH, NU BOP.
- 3. TIH with tubing to top of CIBP @ 5900'. Mix and pump 33 cu ft cement from 5900' to 5646' to cover the Mesa Verde formation top. TOOH.
- 4. TIH with tubing and cement retainer. Set the retainer @ 3750'. Mix and pump 27 cu ft cement through the retainer to cover the PC perforations. Sting out of the retainer and mix and pump 23 cu ft cement on top of the retainer from 3750' to 3572' to plug and abandon the Pictured Cliffs and Fruitland formations. TOOH.
- 5. TIH with 2 3/8" production tubing to 3250'.
- 6. Re configure the Tertiary production equipment to the tubing to resume Tertiary-only production from this wellbore.

Initiated by: Loren Diede 10-15-07 REV 10-17-07 Approved by: Leslie Lam

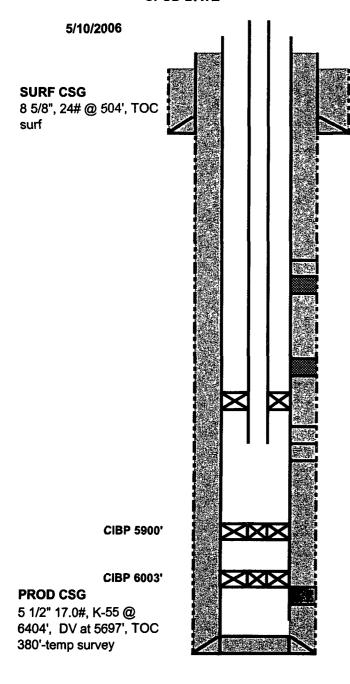
Jicarilla 458-8 #6

WB Diagram

API # 30-039-25757

UNIT C, NE NW Sec 8, T30, R3W Rio Arriba, NM 1050 FNL, 1700 FWL

KB ELEV GL ELEV SPUD DATE



PROD TBG DETAIL:	
2-3/8IN TBG 117 JOINTS	3695.00
MODEL R 2 3/8"X5-1/2" PACKER	7.00
TAIL JOINT	31.60
SN 1.78 MODEL R	1.10
2-3/8" SUB	2.00
WLREG	0.70
EOT	3748.00

San Jose; 1588-1604, 1684-1711, 4 spf, 172 holes, 3000 gals 7 1/2% hcl acid. Frac 10/29/98 32740# 12/20 resin, 1-4 ppg, 244 mscf N2, tbg 30 bpm, blw 258, all load rec + 40 bw. Test tp: 145, ck: 3/8", mcf: 500, heavy mist of water. 1684-1711' SQUEEZED W/ 20 SXS to shut off water.

Ojo Alamo; 3216-64, 4 spf, 192 holes, 3300 gals 7 1/2% hcl acid. Frac 3/16/98 38,650# 12/20 brady, 1-4 ppg, 365 mscf N2 75 Q, tbg 15 bpm, blw: 330, blwtr: 55. Test tp: 390 psi, ck:?, mcf 1.3 mmcfpd, bw? SQ W/105 SXS DRILLOUT TESTED, WATER SHUT OFF, UPPER PERF MAKING SOME GAS.

Pictured Cliffs perfs: 3766-3774, 3776-3785, 3794-3798, 3809-3818, 3823-3830, 3843-3851. 2 JSPF BREAK DOWN 200 GAL ACETIC SPOT, 500GAL ACETIC BALL OFF, FRAC W/ 140,000# 20-40 BRADY, FLOW TEST 5/05/06 600MCFD ON 1/4" CHOKE 1.3 BPH

Mesa Verde 6016-20, 6055-57, 6063-65, 6103-05, 6120-22, 6134-39, 6150-63, 6200-06 4 spf, 144 holes, 2500 gals 7 1/2% hcl acid. Frac 2/3/98 33000# 20/40, 1-4 ppg, 448 mscf N2 65Q, tbg 20 bpm, tracer sand, no log, blwtr 217, all load rec + 88. No good tes

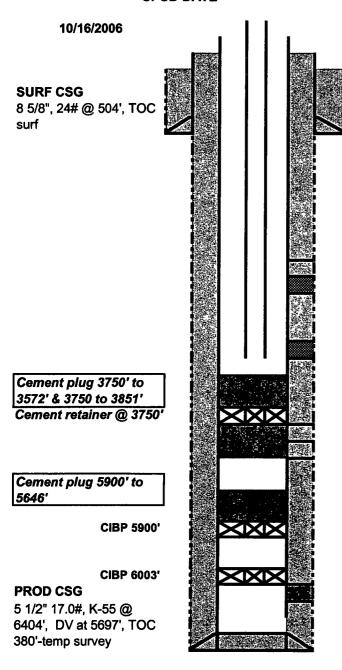
PBTD=6358' (6320'-tbg) TD=6400'

Jicarilla 458-8 #6 Proposed Plug Back WB Diagram

API # 30-039-25757

UNIT C, NE NW Sec 8, T30, R3W Rio Arriba, NM 1050 FNL, 1700 FWL

KB ELEV GL ELEV SPUD DATE



PROD TBG DETAIL:
2 3/8" tbg

EOT

3250.00

San Jose; 1588-1604, 1684-1711, 4 spf, 172 holes, 3000 gals 7 1/2% hcl acid. Frac 10/29/98 32740# 12/20 resin, 1-4 ppg, 244 mscf N2, tbg 30 bpm, blw 258, all load rec + 40 bw. Test tp: 145, ck: 3/8", mcf: 500, heavy mist of water. 1684-1711' SQUEEZED W/ 20 SXS to shut off water.

Ojo Alamo; 3216-64, 4 spf, 192 holes, 3300 gals 7 1/2% hcl acid. Frac 3/16/98 38,650# 12/20 brady, 1-4 ppg, 365 mscf N2 75 Q, tbg 15 bpm, blw: 330, blwtr: 55. Test tp: 390 psi, ck:?, mcf 1.3 mmcfpd, bw? SQ W/105 SXS DRILLOUT TESTED, WATER SHUT OFF, UPPER PERF MAKING SOME GAS.

Pictured Cliffs perfs: 3766-3774, 3776-3785, 3794-3798, 3809-3818, 3823-3830, 3843-3851. 2 JSPF BREAK DOWN 200 GAL ACETIC SPOT, 500GAL ACETIC BALL OFF, FRAC W/ 140,000# 20-40 BRADY, FLOW TEST 5/05/06 600MCFD ON 1/4" CHOKE 1.3 BPH

Mesa Verde 6016-20, 6055-57, 6063-65, 6103-05, 6120-22, 6134-39, 6150-63, 6200-06 4 spf, 144 holes, 2500 gals 7 1/2% hcl acid. Frac 2/3/98 33000# 20/40, 1-4 ppg, 448 mscf N2 65Q, tbg 20 bpm, tracer sand, no log, blwtr 217, all load rec + 88. No good tes

PBTD=6358' (6320'-tbg) TD=6400'