

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. <b>30-039-29499</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>MDA 701-98-0013, Tract 1</b>
8. Well Number <b>Jicarilla 29-03-24 #34</b>
9. OGRID Number <b>013925</b>
10. Pool name or Wildcat <b>La Jara Canyon Tertiary</b>

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other:	7. Lease Name or Unit Agreement Name <b>MDA 701-98-0013, Tract 1</b>
2. Name of Operator <b>Black Hills Gas Resources, Inc.</b>	8. Well Number <b>Jicarilla 29-03-24 #34</b>
3. Address of Operator <b>P.O. Box 249 Bloomfield, NM 87413</b>	9. OGRID Number <b>013925</b>
4. Well Location Unit Letter: <b>I</b> : <b>1,785</b> feet from the <b>South</b> line and <b>1,260</b> feet from the <b>East</b> line Section: <b>24</b> Township <b>29N</b> Range <b>03W</b> NMPM County: <b>Rio Arriba</b>	10. Pool name or Wildcat <b>La Jara Canyon Tertiary</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>7,067' GR</b>	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type: _____ Depth to Groundwater <b>&gt; 100</b> Distance from nearest fresh water well <b>&gt; 1000</b> Distance from nearest surface water <b>&gt; 200</b>	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/> Use existing drilling pit to temporarily store produced water.	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The Jicarilla 29-03-24 #34 has an existing drilling pit pending closure due to inclement weather and poor ground conditions. Black Hills Gas Resources (BHGR) due to the poor field conditions proposes to use the drilling pit to store produced water from the well for a two week time period beginning 3/18/2008 and ending 4/1/2008. If additional time or modification is needed a discussion with NMOCD will be scheduled and a follow-up Sundry (C-103) submitted.

In the interim BHGR has taken a baseline water sample from the Jicarilla 29-03-24 #34 drilling pit for RCRA metals, pH, TDS, Cations, Anions, BTEX and TPH. The analysis will be forwarded when complete.

\*No oil will be allowed to accumulate on the surface of the pit  
\*The produced water must be removed from the pit by 4/8/08, if not possible contact the NMOCD  
\*Must have all other governing agencies approval.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE  TITLE: Regulatory Specialist DATE 5/18/2008

Type or print name: Lynn H. Benally E-mail address: lbenally@bhep.com Telephone No. (505) 634-1111 ext. 27

**For State Use Only**

APPROVED BY: Brandon Powell TITLE: Deputy Oil & Gas Inspector, District #3 DATE MAR 19 2008

Conditions of Approval (if any):

\* See above conditions