

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

APR 25 2008

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.*

**SUBMIT IN TRIPLICATE - Other Instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>701-98-0013</b>
2. Name of Operator <b>Black Hills Gas Resources, Inc.</b>		6. If Indian, Allottee, or Tribe Name <b>Jicarilla Apache Tribe</b>
3a. Address <b>P.O. Box 249 Bloomfield, NM 87413</b>	3b. Phone No. (include area code) <b>505-634-1111</b>	7. If Unit or CA. Agreement Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>Sec 19, T29N, R02W 1245' FNL &amp; 1135' FEL Unit A</b>		8. Well Name and No. <b>Jicarilla 29-02-19 #14</b>
		9. API Well No. <b>30-039-29525</b>
		10. Field and Pool, or Exploratory Area <b>East Blanco PC/Basin FRTC</b>
		11. County or Parish, State <b>Rio Arriba, NM</b>

**12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**


TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> 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 recompleat 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 recompleat 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 this well as per the attached procedure dated Feb 13, 2008. The Jicarilla Apache Nation Department of Water Administration was notified Feb 5, 2008 of the P&A intent and have not requested that this well be kept for use as a water well.**

RCVD APR 29 '08  
OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct.	
Name (Printed/ Typed) <b>Loren Diede</b>	Title <b>Consultant (Agent)</b>
Signature 	Date <b>24-Apr-08</b>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by <b>Original Signed: Stephen Mason</b>	Title <b>APR 25 2008</b>	Date
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Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease 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, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NEED

## PLUG AND ABANDONMENT PROCEDURE

February 13, 2008

### Jicarilla 29-02-19 #14

Basin Fruitland Coal

1245' FNL & 1135' FEL, NE, Section 19, T29N, R2W

Rio Arriba County, New Mexico, API #30-039-29525

**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 G, mixed at 15.8 ppg with a 1.15 cf/sx yield.

1. Install and test location rig anchors. Prepare blow pit. 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.
2. PU on tubing and unseat pump. Reseat pump and pressure test tubing to 1000 PSI. TOH and LD rods and pump. If tubing pressure tested then PU one joint tubing and tag existing CIBP at 3580'.
3. **Plug #1 (Pictured Cliffs interval, Fruitland Coal perforations, Fruitland, Kirtland and Ojo Alamo tops, 3580' – 3119')**: Mix 70 sxs Type G cement (30% excess, long plug) and spot a plug inside the casing above CIBP to isolate the Pictured Cliffs interval, fill the Fruitland Coal perforations and cover the Fruitland, Kirtland and Ojo Alamo tops. PUH and WOC. TIH and tag cement 50' above the Ojo Alamo top. Pressure test casing to 800 PSI. *If casing does not test then spot or tag subsequent plug as appropriate.* PUH.  
2036 1936
4. **Plug #2 (Nacimiento top, ~~2130'~~ – ~~2030'~~)**: Mix 18 sxs Type III cement and spot a balanced plug inside casing to cover the Nacimiento top. PUH to 395'
5. **Plug #3 (8.625" casing shoe and surface, 395' - Surface)**: Attempt to pressure test the bradenhead annulus to 300#. Note the volumes it takes to load. If it tests, then with tubing at 395', establish circulation out casing valve with water. Mix approximately 50 sxs cement and fill the inside of the 5.5" casing to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test then perforate at the appropriate depth and set a plug to cover the surface casing shoe and fill the BH annulus and casing annulus as necessary. TOH and LD tubing. Shut in well.
6. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

**Rio Arriba County, NM / API #30-039-29525**

5.5" 15.5#, J-55 Casing set @ 3770'  
Cemented with 700 sxs  
Circulate 40 bbls to surface

# Jicarilla 29-02-19 #14

## Proposed P&A

Basin Fruitland Coal

1245' FNL & 1135' FEL, NE, Section 19, T-29-N, R-2-W

Rio Arriba County, NM / API #30-039-29525

Today's Date: 2/13/08

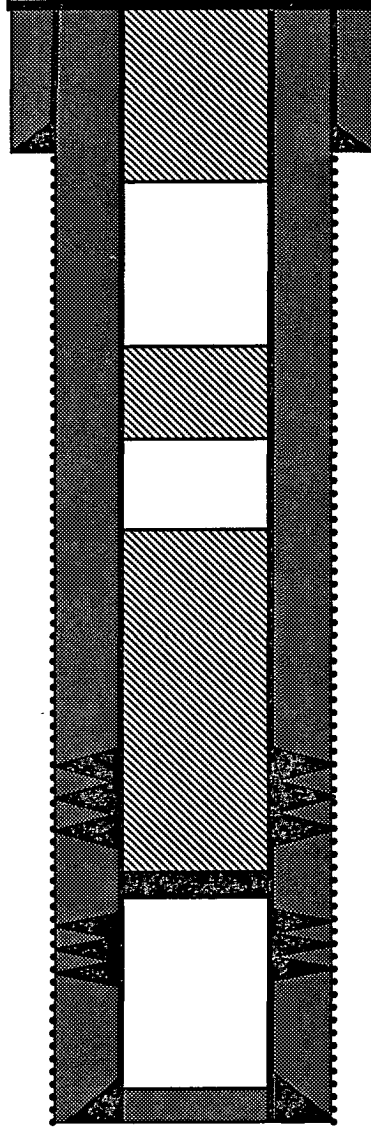
Spud: 11/30/05

Completed: 2/4/06

Elevation: 7194' GI  
7206' KB

San Jose @ Surface

12.25" hole



TOC @ Surface, Circ 40 bbls per sundry.  
(CBL 2005)

8.625" 24#, J-55 Casing set @ 345'  
Cement with 200 sxs (Circulated to Surface)

Plug #3: 395' - 0'  
Type G cement, 50 sxs

Plug #2: 2130' - 2030'  
Type G cement, 18 sxs

Plug #1: 3580' - 3119'  
Type G cement, 70 sxs  
(30% excess, long plug)

Fruitland Coal Perforations:  
3552' - 3571'

CIBP set at 3580' (2006)

Pictured Cliffs Perforations:  
3590' - 3614'

5.5" 15.5#, J-55 Casing set @ 3770'  
Cemented with 700 sxs  
Circulate 40 bbls to surface

TD 3770'  
PBTD 3736'

7.875" hole

Nacimiento @ 2080'

Ojo Alamo @ 3169'

Kirtland @ 3367'

Fruitland @ 3470'

Pictured Cliffs @ 3589'

**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
FARMINGTON DISTRICT OFFICE  
1235 LA PLATA HIGHWAY  
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of  
Intention to Abandon:

Re: Permanent Abandonment  
Well: 14 Jicarilla 29-02-19

**CONDITIONS OF APPROVAL**

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
  - a) Place the Nacimiento plug from 2036' – 1936'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.