

RECEIVED

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Bureau of Land Management
Farmington Field Office

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. 701-98-0013
2. Name of Operator Black Hills Gas Resources, Inc.		6. If Indian, Allottee, or Tribe Name Jicarilla Apache Tribe
3a. Address P.O. Box 249 Bloomfield, NM 87413	3b. Phone No. (include area code) 505-634-1111	7. If Unit or CA. Agreement Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 4, T28N, R02W 555' FSL & 1650' FEL Unit O		8. Well Name and No. Jicarilla 28-02-04 #43
		9. API Well No. 30-039-29312
		10. Field and Pool, or Exploratory Area Basin FRTC/Burro Can Tertiary
		11. County or Parish, State Rio Arriba, NM

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 recompleate 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 recompleation 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 Mar 10, 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 MAY 2 '08
OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct.

Name (Printed/ Typed)

Loren Diede

Title

Consultant (Agent)

Signature

Date

24-Apr-08**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Original Signed: Stephen Mason

Title

Date

MAY 01 2008

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.

Office

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)

NMOCD

PLUG AND ABANDONMENT PROCEDURE

March 10, 2008

Jicarilla 28-02-04 #43

Basin Fruitland Coal / Burro Canyon Tertiary
555' FSL & 1650' FEL, SE, Section 4, T28N, R2W
Rio Arriba County, New Mexico, API #30-039-29312

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. TOH and tally 2.375" tubing with SN at 3713', total 3714'. If necessary, LD tubing and PU workstring. Round trip 5.5" gauge ring or casing scraper to 3556', or as deep as possible.
3. **Plug #1 (Pictured Cliffs, Fruitland coal perforations, Fruitland, Kirtland and Ojo Alamo tops, 3556' – 3046')**: RIH and set 5.5" cement retainer at 3556'. Mix 65 sxs Type G cement and spot a plug inside the casing above CR to isolate the Pictured Cliffs top, Fruitland Coal interval, Fruitland, Kirtland and Ojo Alamo tops. TOH with tubing.
4. **Plug #2 (Nacimiento perforations and top, 2934' – 2122')**: RIH and set 5.5" cement retainer at 2934'. Mix 101 sxs Type G cement and spot a plug inside the casing above CR to isolate the Nacimiento interval. TOH with tubing.
5. **Plug #3 (San Jose perforations, 1536' – 1436')**: RIH and set cement retainer at 1536'. *Attempt to pressure test casing to 800 PSI. If casing does not test then spot or tag this plug and subsequent plug as appropriate.* Mix 18 sxs Type G cement and spot a balanced plug inside casing to cover San Jose perforations. TOH and LD tubing.
6. **Plug #4 (8.625" casing shoe and surface, 332' - Surface)**: Attempt to pressure test the bradenhead annulus to 300#. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 45 sxs Type III cement and spot a balanced plug from 332' 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 attempt to circulate cement to surface filling the casing and the annulus.
7. 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.

Jicarilla 28-02-04 #43

Current

Basin Fruitland Coal / Burro Canyon Tertiary

555' FSL & 1650' FEL, SE, Section 4, T-28-N, R-2-W

Rio Arriba County, NM / API #30-039-29312

Today's Date: 3/10/08

Spud: 1/29/05

Completed: 4/16/05

Elevation: 7317' GI
7330' KB

San Jose @ 13'

Nacimiento @ 2172'

Ojo Alamo @ 3096'

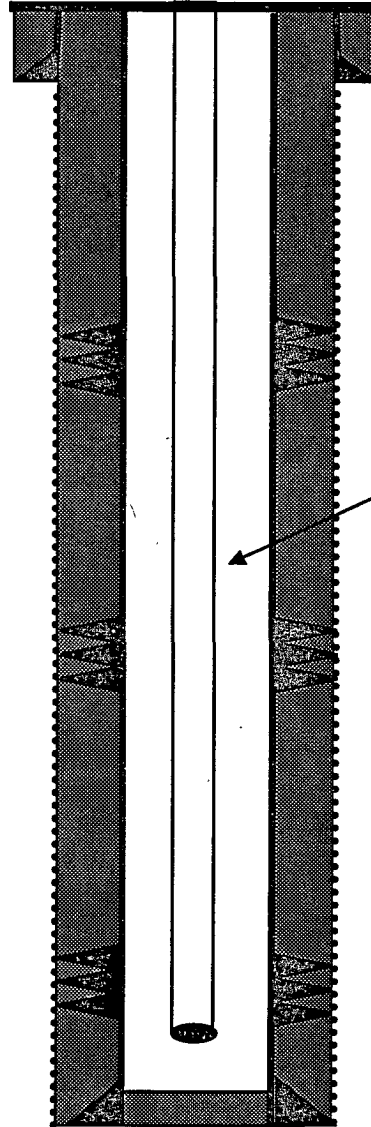
Kirtland @ 3515'

Fruitland @ 3601'

Pictured Cliffs @ 3639'

12.25" hole

7.875" hole



TOC @ surface (CBL 2005)

8.625" 24#, J-55 Casing set @ 282'
Cement with 200 sxs (Circulated to Surface)

San Jose Perforations:
1586' – 1598'

2.375" tubing at 3714'
(4.7#, J-55, SN @ 3713')

Nacimiento Perforations:
2984' – 2986'

Fruitland Coal Perforations:
3606' – 3630'

5.5" 15.5#, Casing set @ 3799'
Cemented with 650 sxs
Circ 31 bbls to surface

TD 3810'
PBD 3777'

Jicarilla 28-02-04 #43

Proposed P&A

Basin Fruitland Coal / Burro Canyon Tertiary

555' FSL & 1650' FEL, SE, Section 4, T-28-N, R-2-W

Rio Arriba County, NM / API #30-039-29312

Today's Date: 3/10/08

Spud: 1/29/05

Completed: 4/16/05

Elevation: 7317' GI
7330' KB

San Jose @ 13'

Nacimiento @ 2172'

Ojo Alamo @ 3096'

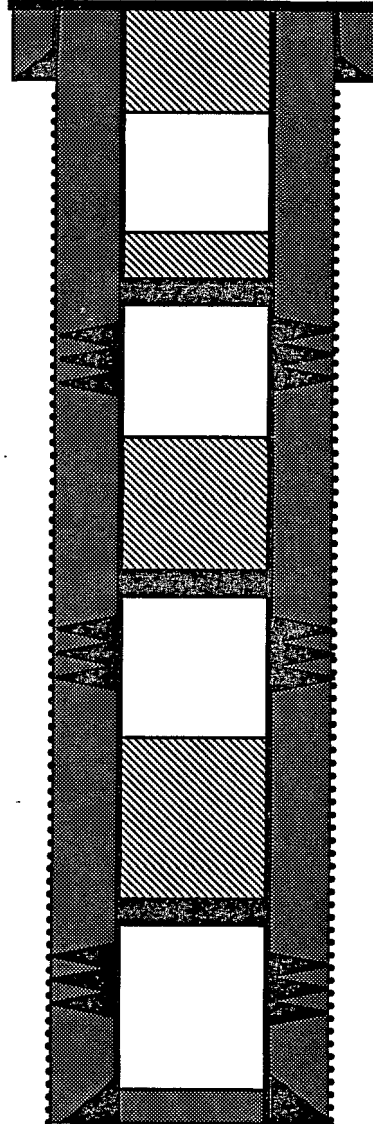
Kirtland @ 3515'

Fruitland @ 3601'

Pictured Cliffs @ 3639'

12.25" hole

7.875" hole



TOC @ surface (CBL 1995)

8.625" 24#, J-55 Casing set @ 282'
Cement with 200 sxs (Circulated to Surface)

Plug #4: 332' – 0'
Type G cement, 45 sxs

Set CR @ 1536'

San Jose Perforations:
1586' – 1598'

Plug #3: 1536' – 1436'
Type G cement, 18 sxs

Set CR @ 2934'

Nacimiento Perforations:
2984' – 2986'

Plug #2: 2934' – 2122'
Type G cement, 101 sxs

Set CR @ 3556'

Fruitland Coal Perforations:
3606' – 3630'

Plug #1: 3556' – 3046'
Type G cement, 65 sxs

5.5" 15.5#, Casing set @ 3799'
Cemented with 650 sxs
Circ 31 bbls to surface

TD 3810'
PBTD 3777'