

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP 09 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
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Black Hills Gas Resources

3a. Address
3200 N 1st Street PO Box 249 Bloomfield, NM 87413

3b. Phone No. (include area code)
505-634-1111 ext 27

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Surface: 1,770' FNL 944' FEL Unit H (SE/NE) Sec 11 T29N R04W
Bottom: ± 1770' FNL ± 700' FWL Unit E (SW/NW) Sec 11 T29N R04W

5. Lease Serial No.
NM18316

6. If Indian, Allottee, or Tribe Name

7. If Unit or CA. Agreement Name and/or No.

8. Well Name and No.
Carson 29-04-11 #2

9. API Well No.
30-039-20649

10. Field and Pool, or Exploratory Area
Choza Mesa Pictured Cliffs

11. County or Parish, State
Rio Arriba, New Mexico

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 checked="" type="checkbox"/> Other <u>Amending</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	<u>C102</u>
	<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.)

The initial APD was submitted by Continental Oil Company on June 6, 1973, approved and given API# 30-039-20649. Black Hills Gas Resources (BHGR) is submitting the following sundry to amend the C102. Attached is the updated C-102.

**NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT**

**RCVD SEP 12 '08
OIL CONS. DIV.**

DIST. 3

Hold C104

for Directional Survey
and "As Drilled" plat for each Lateral

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

Name (Printed/ Typed)

Lynn H. Benally

Title

Regulatory Specialist

Signature

[Signature]

Date

9/8/08

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

PANMINTON FIELD 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

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c); and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3 - 2, 3162.3 - 3, 3162.3 - 4.

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-20649	² Pool Code 74960	³ Pool Name CHOZA MESA PICTURED CLIFFS
⁴ Property Code 301947	⁵ Property Name CARSON 29-4-11	⁶ Well Number 2H
⁷ GRID No 013925	⁸ Operator Name BLACK HILLS GAS RESOURCES	⁹ Elevation 7066'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	11	29-N	4-W		1770	NORTH	944	EAST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	29-N	4-W		1770	NORTH	700	WEST	RIO ARRIBA

¹² Dedicated Acres N/2 = PROJECT AREA 320 ACRES	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p> <p>CALC'D. CORNER BY DBL. PROP.</p> <p>1770'</p> <p>1517'</p> <p>N 89-27-42 W 5163.4' (C)</p> <p>CENTER OF PIT: LAT: 36.74144° N. (NAD 83) LONG: 107.21786° W. (NAD 83) LAT: 36°44'29.18" N. (NAD 27) LONG: 107°13'02.14" W. (NAD 27)</p> <p>B.H.L.</p> <p>(UPPER LATERAL)</p> <p>700'</p> <p>(LOWER LATERAL)</p> <p>1709'</p> <p>SURFACE: LAT: 36.74132° N. (NAD 83) LONG: 107.21800° W. (NAD 83) LAT: 36°44'28.76821" N. (NAD 27) LONG: 107°13'04.79128" W. (NAD 27)</p> <p>17</p> <p>CALC'D. CORNER BY DBL. PROP.</p> <p>1770'</p> <p>1725'</p> <p>C.O.P.</p> <p>940'</p> <p>944'</p> <p>18</p> <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Lynn H. Benally</i> 9/8/08 Signature Date Lynn H. Benally Printed Name</p> <p>19</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>MAY 24, 2008 ROY A. RUSH Date of Survey Signature and Seal of Professional Surveyor: 09-105-08 PROFESSIONAL LAND SURVEYOR Certificate Number</p> <p>20</p> <p>PRELIMINARY B.H.L. B.H.L. FOOTAGES ARE APPROXIMATE AND PROVIDED BY B.H.G.R. CLIENT</p> <p>NOTE: SURFACE FOOTAGES SHOWN ARE OF RECORD PER REQUEST OF B.L.M. AND PRODUCER.</p> <p>21</p> <p>CALC'D. CORNER BY DBL. PROP.</p> <p>22</p> <p>CALC'D. CORNER BY DBL. PROP.</p>
