



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO
MDA 701-98-0013
3162.3-1 (111)

December 28, 2009

RCVD DEC 29 '09
OIL CONS. DIV.
DIST. 3

Black Hills Gas Resources, Inc.
Attn.: Lynn Benally
PO Box 249
Bloomfield, NM 87413

30-039-29440

Dear Ms. Benally:

Reference is made to your Application for Permit to Drill (APD) the **No. 12 Jicarilla 28-02-03** well, located **760' FNL and 1415' FWL, Section 3, T28N, R2W, Rio Arriba County, New Mexico**. This APD was approved on October 24, 2005 with an expiration date of October 23, 2009. According to our records, no known activity has taken place at this location.

In view of the foregoing, this office is rescinding the approval due to the expiration of this APD. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at this well site. Please file letter within 30 days of receipt of this notice. Any surface disturbance conducted must be rehabilitated in accordance with the standards and guidelines established by this office.

If you have any questions regarding the above contact Shea Valdez at (505) 599-8969

Sincerely,

Shea Valdez
Petroleum Engineering Asst.

Petroleum Management Team

cc: NMOCD
BIA: Dulce
Jicarilla Nation Minerals Dept.

BY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

mapped 2/10/05

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

NMB000230-SW

HEP-Actual
million

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. MDA 701-98-0013,
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name JICARILLA APACHE NATION
2. Name of Operator BLACK HILLS GAS RESOURCES, INC		7. If Unit or CA Agreement, Name and No.
Contact: KATHY L SCHNEEBECK E-Mail: BPMIBlackHills@banko1.com		8. Lease Name and Well No. JIC 28-02-03 12
3a. Address 350 INDIANA STREET, SUITE 400 GOLDEN, CO 80401	3b. Phone No. (include area code) Ph: 303-820-4480 Fx: 303-820-4124	9. API Well No. 30-039-29440
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENW Lot 3 760FNL 1415FWL At proposed prod. zone NENW Lot 3 760FNL 1415FWL		10. Field and Pool, or Exploratory E BLANCO/PICTURED CLIFFS
14. Distance in miles and direction from nearest town or post office* 57 MILES FROM BLOOMFIELD, NEW MEXICO		11. Sec., T, R., M., or Blk. and Survey or Area Sec 3 T28N R2W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 3865' FEL (LEASE LINE)	16. No. of Acres in Lease 10240.00	12. County or Parish RIO ARRIBA
17. Spacing Unit dedicated to this well 160.00	13. State NM	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 2800' FROM JICARILLA 28-02-03 1	19. Proposed Depth 4000 MD	20. BLM/BIA Bond No. on file MNB000230
21. Elevations (Show whether DF, KB, RT, GL, etc.) 7321 GL	22. Approximate date work will start 03/03/2005	23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) KATHY L SCHNEEBECK Ph: 303-820-4480	Date 01/28/2005
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Title
PERMIT AGENT FOR BLACK HILLS

Approved by (Signature) 	Name (Printed/Typed)	Date 10/24/05
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Title AFM	Office RFO
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Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #53543 verified by the BLM Well Information System
For BLACK HILLS GAS RESOURCES, INC, sent to the Rio Puerco

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

FARMINGTON

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

*API Number		*Pool Code	*Pool Name
		72400	E. Blanco / Pictured Cliffs
*Property Code	*Property Name		*Well Number
24245	JICARILLA 28-02-03		12
*OGRID No.	*Operator Name		*Elevation
013925	MALLON OIL COMPANY		7321'

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 3	3	28-N	2-W		760	NORTH	1415	WEST	RIO ARriba

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160 acres - NW/4			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.		

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CALC'D CLOSING COR. LOT 4 1415'	N 89-47-48 W 2608.33' 760' PC LOT 3 LAT. 36-40-23 N (NAD 83) LONG. 107-02-03 W (NAD 83)	FD MARKED STONE (NO P+C)	LOT 1
2321.49' N 00-01-34 E	3		
QTR. COR. FD 2 1/2" BC 1917 GLO			

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

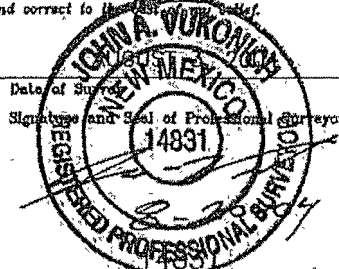
Kathy Schneider
Signature

Kathy L. Schneebeck
Printed Name

Permit Agent for Black Hills
Title

January 28, 2005
Date

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~~ ^{best of my ability}.



Certificate Number