



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

30-039-29551

Dear Ms. Benally:

Reference is made to your Application for Permit to Drill (APD) the **No. 22 Jicarilla 28-02-18** well, located **1400' FNL and 2600' FWL, Section 18, T28N, R2W, Rio Arriba County, New Mexico**. This APD was approved on November 14, 2006 with an expiration date of November 14, 2008. 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.

Black Hills All HBP Actual
map posted NOS 02/28/05

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. MDA 701-98-0013, Tract 2
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Jicarilla Apache Nation
2. Name of Operator Black Hills Gas Resources, Inc. E-mail: lbenally@bhep.com Contact: Lynn Benally		7. If Unit or CA Agreement, Name and No.
3a. Address 350 Indiana Street, Suite 400 Golden CO 80401	3b. Phone No. (include area code) 505.634.1111	8. Lease Name and Well No. Jicarilla 28-02-18 22
4. Location of Well (Report location clearly and in accordance with any State Requirements. *) At surface 1,400' FNL 2,600' FWL SE 1/4 NW 1/4 Lat: 36° 38' 35.3" Long: 107° 05' 03.0"		9. API Well No. 30-039-29551
At proposed production zone		10. Field and Pool, or Exploratory East Blanco Pictured Cliffs
14. Distance in miles and direction from nearest town or post office. * Well is located approximately 57 miles east of Bloomfield, New Mexico.		11. Sec., T., R, M., or Blk. and Survey or Area Sec. 18 T 28N R 2W
15. Distance from proposed location to nearest property of lease line, ft. (Also nearest Drig, unit line, if any) Unit= n/a Lease= ±2,600'	16. No. of acres in lease 10,240.0	12. County or parish Rio Arriba
18. Distance from proposed location to nearest well, drilling, completed or applied for, on this lease, ft. ± 2,600'	19. Proposed depth 4,000' TVD	13. State New Mexico
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7,178' GR	22. Approximate date work will start * June 16, 2005	17. Spacing Unit dedicated to this well 160
23. Estimated duration 45-60 days drlg + completion		20. BLM/BIA Bond No. on file NMB000230 SW 28

24. Attachments

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

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

25. Signature <i>Kathy L. Schneebeck</i>	Name (Printed/Typed) Kathy L. Schneebeck, 303.820.4480	Date May 12, 2005
Title Permit Agent for Black Hills Gas Resources, Inc.		

Approved by (Signature) <i>James L. Lova</i>	Name (Printed/Typed)	Date 11/14/06
Title Acting ADL Minerals	Office	

Application approval 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.

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.

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

FARMINGTON

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

RECEIVED
OCT 11 2006
FARMINGTON

Black Hills All HOPA Act
map posted NOS 02/28/05

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