

Development Plan

Current Spacing Rule

660' Section Line Offset – West
660' Section Line Offset – East
660' Cased-Well Section

Surface
Location

Casing

TD
Location

30N/3W

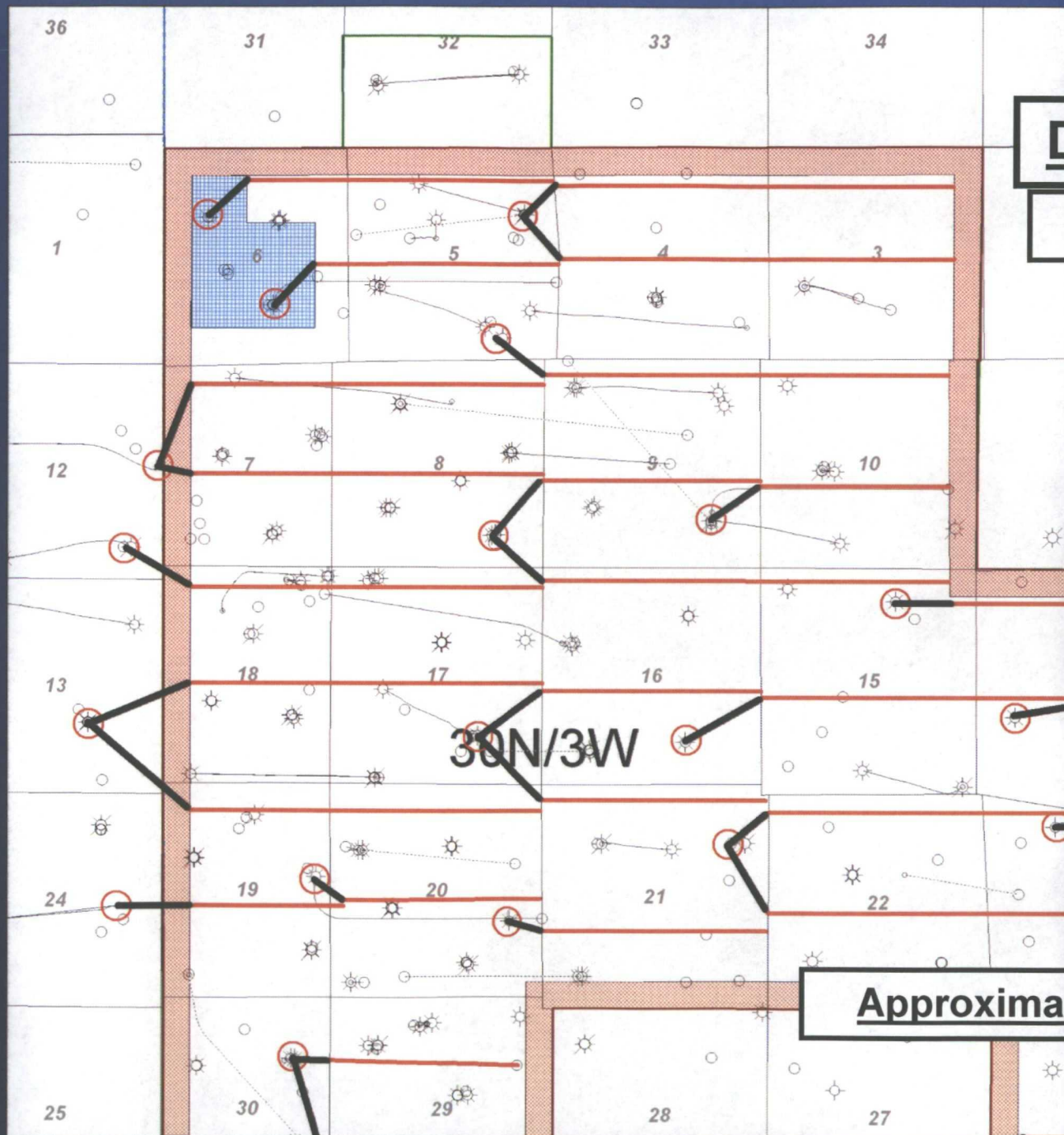
1980' per section
Undeveloped (38%)

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 14642 Exhibit No. 12
Submitted by:
BLACK HILLS GAS RESOURCES, INC.
Hearing Date: June 23, 2011

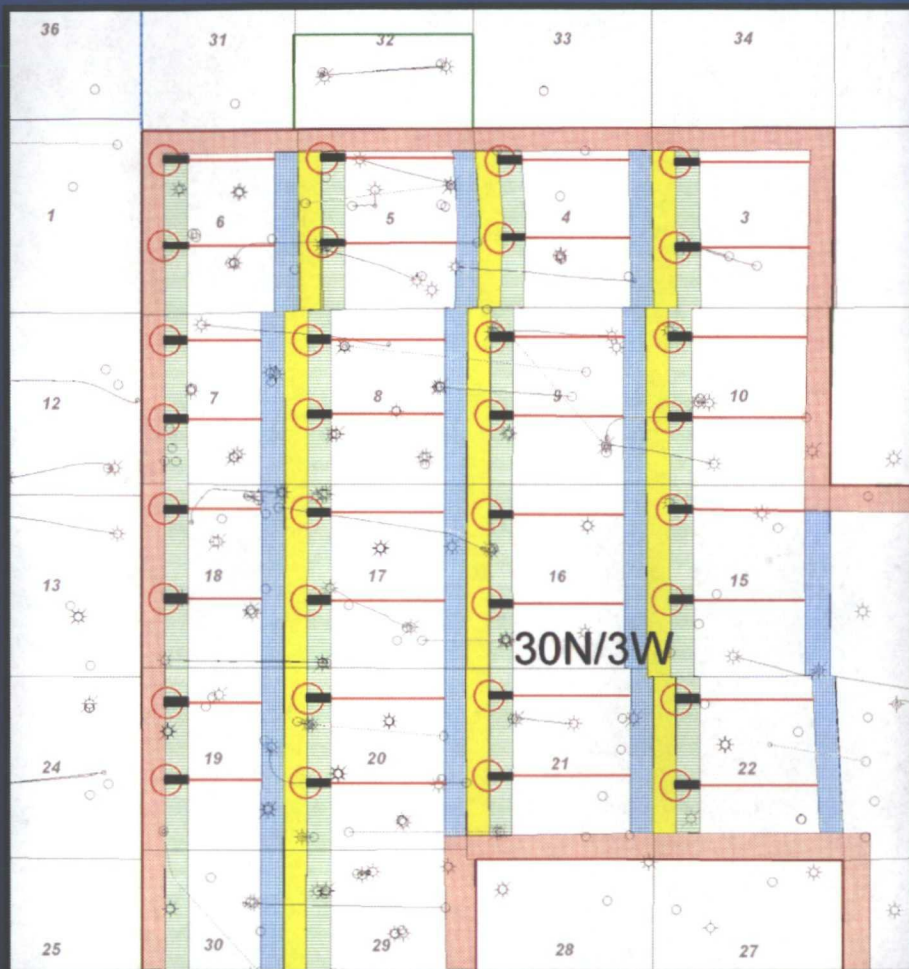


Development Plan

Proposed Rule

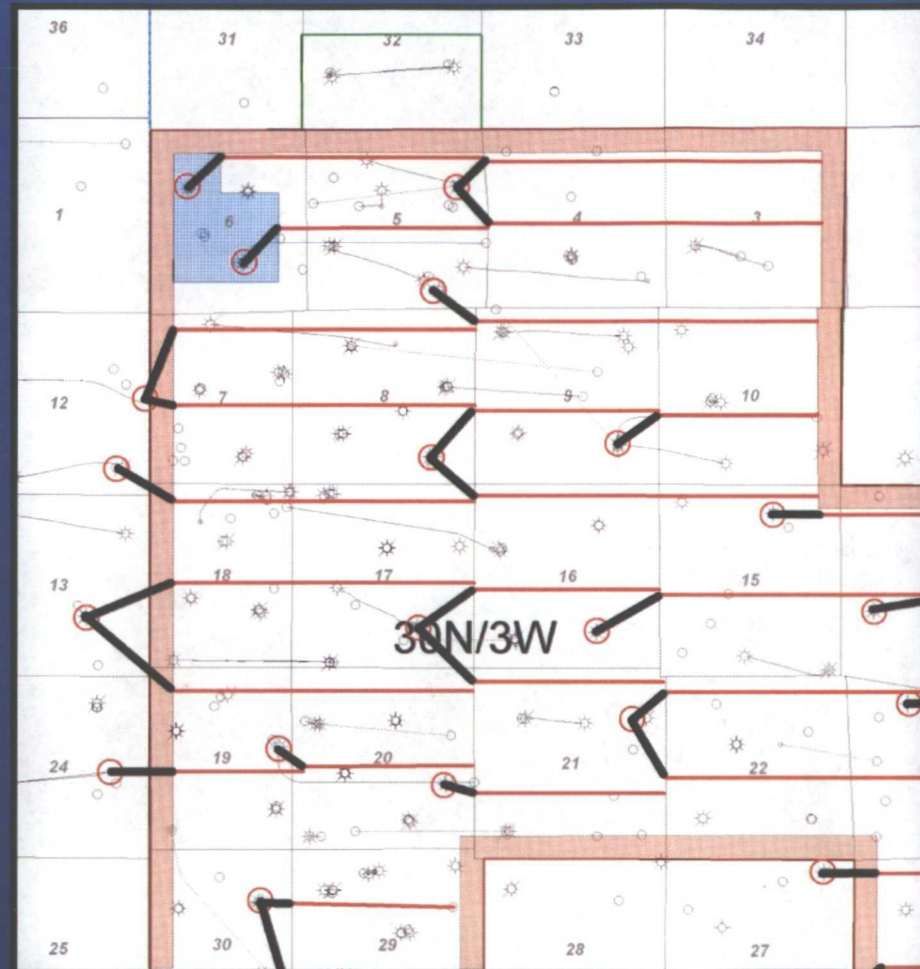


Approximately 2% Undeveloped



Current Rule

- 32 Wells Drilled
- 25 New Well Locations (78%)
- 38% Undeveloped Post-drilling



Proposed Rule

- 21 Wells Drilled
- 0 New Well Locations (0%)
- 2% Undeveloped Post-drilling

Within the 16-section sample area T30N R03W