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APP. 1 4 2011

HOLLAND & HARTUR

April 13, 2011

New Mexico Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, NM 87505

RE:

Application of Black Hills Gas Resources April 28, 2011 Docket: Case No. 14642 Rio Arriba County, New Mexico

## Gentlemen:

Energen Resources Corporation is a working interest owner and an interested party in the referenced Application.

After a thorough review of this Application Energen Resources is in agreement with this request and recommends approval of this Application by Black Hills Gas Resources.

Sincerely,

David M. Poage District Landman

Xc: David Thornquist, Black Hills

Ocean Munds-Dry, Holland & Hart

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 14642 Exhibit No. 2

Submitted by:

<u>BLACK HILLS GAS RESOURCES, INC.</u>

Hearing Date: <u>June 23, 2011</u>



## OIL & GAS ADMINISTRATION JICARILLA APACHE NATION

June 22, 2011

Jami Bailey, Director Oil Conservation Division New Mexico Department of Energy Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

RE:

Application of Black Hills Gas Resources, Inc.

June 23, 2011 Docket: Case No. 14642

Jicarilla Apache Nation

Rio Arriba County, New Mexico

Dear Ms. Bailey:

The Jicarilla Apache Nation Oil and Gas Administration is vested with the overall responsibility to manage the Jicarilla Nation oil and gas mineral resources and in review of Black Hills Gas Resources, Inc. proposal has determined it to be in the best interest of the Jicarilla Nation to support the application and proposal from Black Hills Corporation, through its subsidiary, Black Hills Gas Resources, Inc., for the creation of the proposed Jicarilla Mancos Development Area.

Black Hills has been operating on the Jicarilla Apache Nation Lands since 2003. Black Hills Gas Resources, Inc., through its affiliation with the Jicarilla Apache Nation as a partner in the Mineral Development Agreement (MDA) has proven to be prudent in its drilling and development program. As a joint working partner, the proposed Jicarilla (Mancos Formation) Project Area will protect the correlative rights of the Jicarilla Apache Nation lands while minimizing additional surface disturbance will result in greater ultimate recovery of the natural gas resources of the Nation.

Upon review of this matter in detail, the Jicarilla Apache Nation Oil and Gas Administration is in agreement with the proposed Black Hills Gas Resources, Inc., request for the creation of the Jicarilla Mancos Development Area and hereby submits this recommendation for Approval.

Dixon Sandoval, Director-Oil and Gas Administration

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 2A

Case No. 14642 Submitted by:

BLACK HILLS GAS RESOURCES, INC. Hearing Date: June 23, 2011