



Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303)894-2100 Fax:(303)894-2109

FOR OGCC USE ONLY
RECEIVED
submitted to
FEB 20 2009
File office 4-21-09
COGCC

UNDERGROUND INJECTION FORMATION PERMIT APPLICATION

1. Submit original and one copy of this form.
2. If data on this form is estimated, indicate as such.
3. Attachments – see checklist and explanation of attachments.
4. Aquifer exemption is required for all injection formations with water quality <10,000 TDS (Rule 322B). Immediately contact the Commission for further requirements if the total dissolved solids (TDS) as determined by water analysis for the injection zone is less than 10,000 ppm.
5. Attach a copy of the certified receipt to each notice to surface and mineral owner(s) or submit a sample copy of the notice and an affidavit of mailing or delivery with names and addresses of those notified. Each person notified shall be specified as either a surface or mineral owner as defined by C.R.S. 34-60-103(7).

Complete the Attachment Checklist
Oper OGCC

Form 31 Original & 1 Copy	<input checked="" type="checkbox"/>
Analysis to Injection Zone Water	<input type="checkbox"/>
Analysis of Injection Water	<input checked="" type="checkbox"/>
Proposed Injection Program	<input checked="" type="checkbox"/>
Resistivity or Induction Log	<input checked="" type="checkbox"/>
Cement Bond Log	<input type="checkbox"/>
Surface or Salt Water Displ Agrmt	<input type="checkbox"/>
Notice to Surface/Mineral Owners	<input type="checkbox"/>
Remedial Correction Plan for Wells	<input type="checkbox"/>
Map Oil/Water Wells w/in 1/4 Mile	<input checked="" type="checkbox"/>
List Oil/Gas Wells w/in 1/2 Mile	<input checked="" type="checkbox"/>
Map Surface Owners w/in 1/4 Mile	<input checked="" type="checkbox"/>
List Surface Owners w/in 1/4 Mile	<input checked="" type="checkbox"/>
Map Mineral Owners w/in 1/4 Mile	<input checked="" type="checkbox"/>
List Mineral Owners w/in 1/4 Mile	<input checked="" type="checkbox"/>
Surface Facility Diagram	<input type="checkbox"/>
Wellbore Diagram	<input checked="" type="checkbox"/>
If Commercial Facility, Description of Ops & Area Served	<input type="checkbox"/>
Unit Area Plat	<input type="checkbox"/>

Project Name: Hancock Gulch Disposal #1 Project Location: NWNW 13 8S 99W
 Project Type: Enhanced Recovery Disposal Simultaneous Disposal
 Single or Multiple Well Facility? Single Multiple
 IF UNIT OPERATIONS, ATTACH PLAT SHOWING UNIT AREA
 County: Mesa Field Name and Number: Hancock Gulch 33545

OGCC Operator Number: 10150
 Name of Operator: Black Hills Plateau Production
 Address: 350 Indiana St. Suite 400
 City: Golden State: CO Zip: 80401

Contact Name and Telephone:
Jessica Donahue
 No: 720-210-1333
 Fax: 720-210-1363

Injection Fluid Type: Produced Water Natural Gas CO₂ Drilling Fluids
 Exempt Gas Plant Waste Used Workover Fluids Other Fluids (describe): _____
 Commercial Facility? Yes No
 If Yes, describe area of operation and types of fluids to be injected at this facility:

PROPOSED INJECTION FORMATIONS
 FORMATION A (Name): Rollins Porosity: 8.0% to 14.0%
 Formation TDS: _____ Frac Gradient: none available psi/ft Permeability: 0.05-1.0md
 Proposed Stimulation Program: Acid Frac Treatment None
 FORMATION B (Name): _____ Porosity: _____
 Formation TDS: _____ Frac Gradient: _____ psi/ft Permeability: _____
 Proposed Stimulation Program: Acid Frac Treatment None
Anticipated Project Operating Conditions
 Under normal operating conditions, estimated fluid injection rates and pressures:
 FOR WATER: A minimum of 200 bbls/day @ 0 psi to a maximum of 300 bbls/day @ 0 psi.
 FOR GAS: A minimum of _____ mcf/day @ _____ psi to a maximum of _____ bbls/day @ _____ psi.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.
 Print Name: Jessica Donahue Signed: Jessica Donahue
 Title: Regulatory Technician Date: 2/26/09
 OGCC Approved: Denise M Onyskew Title: UIC Program Supervisor Date: 1-4-10
Order No: _____ **UIC FACILITY NO:** 159293
CONDITIONS OF APPROVAL, IF ANY:

BLACK HILLS PLATEAU PRODUCTION
HANCOCK GULCH DISPOSAL #1
NW NW SECTION 13 T8S R99W
MESA COUNTY, COLORADO

SINGLE-WELL, NON-COMMERCIAL UNDERGROUND INJECTION PERMIT CHECKLIST

- 1) Receipt & approval dates for Form 2 – Application for Permit to Drill (325.a.) approved 8-28-09
- 2) Receipt & approval dates for Form 21 – Mechanical Integrity Test (325.e.) need OK
 - i) Test used to check for vertical fluid movement in channels adjacent to well bore (326.a.(2)) _____
- 3) Receipt & approval dates for Form 26 – Source of Prod. Water for Disposal (325.c.(5)) received
- 4) Receipt & approval dates for Form 31 – Underground Inj. Form. Permit Ap. (325.a.) received
- 5) Receipt & approval dates for Form 33 – Injection Well Permit Application (325.a.)M received
- 6) Hearing date, if approval withheld (325.b.) _____
- 7) Name, description, and depth of injection formation (325.c.(1)) Rollins 3052' - 3088'
- 8) Underground sources of drinking water (325.c.(1)) Desaverde Group
- 9) Hydrologic information request to Division of Water Resources 11-12-09
- 10) Fracture gradient of the injection formation (325.c.(1)) none given using 0.6
- 11) Water analysis of injection formation, TDS (mg/l) (325.c.(1)) 82770
- 12) If TDS < 10,000 mg/l, is an aquifer exemption attached? (324B.) N/A
 - i) Was an aquifer exemption public notice published? (324B.b.) N/A
 - ii) Was a public hearing held? (324B.c.) N/A
 - iii) Was the aquifer exemption approved? (324B.d.) N/A
 - iv) Notice of approved aquifer exemption to Water Quality Control Commission N/A
- 13) Base plat (¼-mile radius) with the following (325.c.(2)): _____
 - i) Location of disposal well OK
 - ii) location of all oil & gas wells none
 - iii) location of water wells with depths none
 - iv) name and address of surface owners OK
 - v) name and address of mineral owners OK
- 14) Base plat (½-mile radius) with oil & gas wells producing from the disp. zone (325.c.(2)) N/A
- 15) Base plat showing all surface and mineral owners of record if the well is part of a field-wide system (325.c.(2)) N/A
- 16) Remedial action plans for wells within ¼-mile of the disposal well (325.c.(2)) N/A
- 17) A resistivity log, description of stratigraphy and/or testing data (325.c.(3)) OK
- 18) A wellbore schematic showing casing, cement, bridge plugs, packers, perforations and any other relevant information (325.c.(4)) OK
- 19) A surface facilities diagram showing pipelines, tanks and any other relevant information for the injection system (325.c.(4)) need OK

**BLACK HILLS PLATEAU PRODUCTION
HANCOCK GULCH DISPOSAL #1
NW NW SECTION 13 T8S R99W
MESA COUNTY, COLORADO
SINGLE-WELL, NON-COMMERCIAL UNDERGROUND INJECTION PERMIT CHECKLIST**

- 20) Any proposed stimulation program (325.c.(6)) none
- 21) Estimated daily minimum and maximum injection volume (325.c.(7)) 200-300 bbls/day
- 22) Maximum injection pressure, calculated by COGCC (325.c.(7)) _____
- 23) Names and addresses of persons notified and copies of the notices (325.i) need
- i) Surface and mineral owners within ¼-mile OK
- ii) Owners and operators of wells producing in the inj. zone within ½-mile N/A
- iii) Owners of cornering or contiguous units producing in the inj. zone, if greater than ½-mile OK
- 24) Were the notices delivered by certified mail or personal delivery? (325.k.) certified
- 25) Do the notices include instructions on public hearing requests? (325.l.) no yes (resent)
- 26) Publish public notice with brief description of disposal application, including legal location,
 proposed injection zone, depth of injection and other relevant information (325.n.) 11-19-09 Palisade Tribune
- 27) Any written requests for public hearing as a result of the notices? (325.m. or 325.n.) no
- 28) Was a surface owner agreement submitted? need BL M survey received 10-23-09
- 29) Was all information received by the 6-month deadline? (325.o.) no
- 30) Was a 90-day extension granted? (325.o.) yes

Onyskiw, Denise

From: Schaub, Michael
Sent: Wednesday, December 23, 2009 12:41 PM
To: Onyskiw, Denise
Subject: 297-13A6
Attachments: 297-13A6map.pdf; 297-13A6Table.pdf; 297-13A6.pdf

Denise:

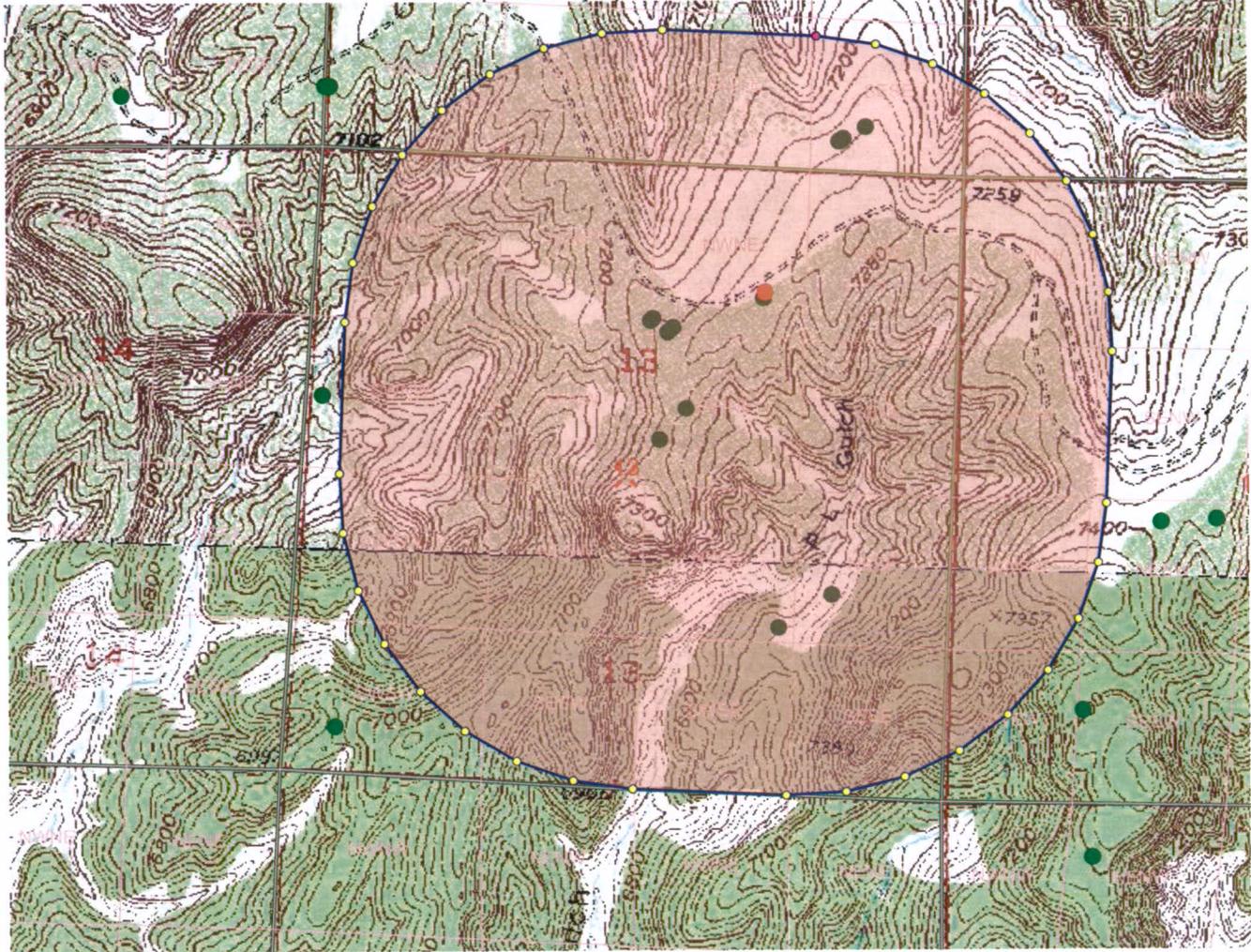
Attached is the Division of Water Resources review for the proposed 297-13A6 injection well. The review includes a memo, map and table.

Michael

AQUAMAP

Colorado Division of Water Resources Department of Natural Resources

Map created by mps 12/23/2009



MAP NAVIGATION

Click to create PDF
 UTM X, Zone 13: 225465
 UTM Y, Zone 13: 4419759
 Long: -108° 12' 37.7"
 Lat: 39° 53' 0.5"
 UTM and Geographic(LL) coordinates in NAD 83

DATA DISPLAY

<input checked="" type="checkbox"/> Background	<input checked="" type="checkbox"/> Counties	<input checked="" type="checkbox"/> Water Well Applica
Quad Maps <input type="text" value=""/>	<input checked="" type="checkbox"/> PLSS	<input type="checkbox"/> DWR Parcels
<input checked="" type="radio"/> Low <input type="radio"/> High	<input type="checkbox"/> Roads	<input checked="" type="checkbox"/> EPA Well Notificati
Transparency <input type="text" value=""/>	<input type="checkbox"/> Hydrography	<input type="checkbox"/> Oil/Gas Well Locati
	<input type="checkbox"/> County Parcels (No Public Access)	

[More Data](#)

LOCATION

Section	Township	Range	Meridian
<input type="text" value="13"/>	<input type="text" value="2 S"/>	<input type="text" value="97 W"/>	<input type="text" value="Sixth"/>

[PLSS Locator](#)
[Quick Zoom](#)
[Spacing](#)

PRINTING

Output Scale	Page Size	User
<input type="text" value="18,000"/>	<input type="text" value="8.5x11"/>	<input type="text" value="mps"/>

Title



Based on work developed at <http://www.carto.net>

Address location by Yahoo Maps
 AquaMap Version 3.0.1 July 5, 2009



Water Well Permits of Record

PERMIT	SUF	OWNER	ADDRESS1	CITY	STATE	ZIP	TS	TDIR	RNG	RDIR	SEC	COORDS NS	COORDS NS DIR	COORDS EW	ANN_AP R	YIELD	DEPTH
68416	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	13	1750	S	1001	80	50	11566
24738	F	MOBIL OIL CORP		DENVER	CO	80217	2	S	97	W	13	1441	S	1450			660
68757	F	EXXONMOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	13	2400	N	2530	80	50	12753
68429	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	13	1126	N	1683	80	50	10800
21880	F	MOBIL OIL CORP. ATTN A J MCCREDIE	PO BOX 1934	OKLAHOMA CITY	OK	73101	2	S	97	W	13	1076	N	1668			
68361	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	12	272	S	1064	80	50	12929
68362	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	12	263	S	1076	80	50	13107
68358	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	12	290	S	1040	80	50	13003
68359	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	12	281	S	1052	80	50	12910
68360	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	12	400	S	850	80	50	12000
68384	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	13	1419	N	2449	80	50	12122
68385	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	13	1454	N	2480	80	50	12740
68388	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	13	1464	N	2493	80	50	12716
68389	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	13	1372	N	2644	80	50	13500
68390	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	13	1350	N	2623	80	50	13500
68393	F	EXXON MOBIL OIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210-4358	2	S	97	W	13	2119	N	2313	80	50	3152



DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RESOURCES

December 23, 2009

Bill Ritter, Jr.
Governor

James B. Martin
Executive Director

Dick Wolfe, P.E.
Director/State Engineer

MEMORANDUM

TO: Denise M Onyskiw
Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado

FROM: Michael Schaub *MS*

SUBJECT: Water Injection Project, Piceance Creek Field, Rio Blanco County

Your memo of December 1, 2009 (received in this office on December 21, 2009) describes a proposal to inject water into the Wasatch "G" Formation in the interval between approximately 5,600 feet and 5,700 feet below the surface in the Piceance Creek Unit 297-13A6 well. The proposed disposal well is to be located in the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 13, T2S, R97W. In the proposed injection well, surface casing is installed to a depth of 3,920 feet and production casing to a depth of 5,722 feet.

There are sixteen water wells of record within $\frac{1}{2}$ mile of the subject quarter/quarter. These wells are listed on the attached table. All of these wells are either produced water wells, or were constructed to service the needs of oil and gas exploration. Wells, constructed specifically for water production within this area of the Piceance Basin generally produce from either alluvium of the live streams in the area, and the sandstone units within the Tertiary Green River Formation.

The proposed injection interval, the Wasatch "G" Formation is not generally considered a source of fresh water in the northwest part of Colorado. The nearest outcroppings of the Wasatch are around the margins of the Piceance Basin about 14 miles to the eastnortheast. The Wasatch Formation is comprised of discontinuous lenticular fluvial sandstones in a fine-grained matrix of claystone and mudstone. Around the margins of the Piceance Basin the Wasatch Formation is present at shallow depths and sand lenses may be utilized locally in these areas as a source ground water.

There is one live stream in the vicinity of the project area. Piceance Creek flows from southeast to northwest and is located nearly 12 milesto the south of the proposed injection site down P-L Gulch.

Based on the information you provided, it does not appear that there is any potential for injury to known or potential sources of fresh water in the area from a properly constructed injection well. If you have any questions or require additional information, please feel free to contact me.

Enclosure

Office of the State Engineer

1313 Sherman Street, Suite 818 • Denver, CO 80203 • Phone: 303-866-3581 • Fax: 303-866-3589

www.water.state.co.us

Onyskiw, Denise

From: Onyskiw, Denise
Sent: Tuesday, November 10, 2009 1:39 PM
To: Schaub, Michael
Subject: Hydrologic Information Request
Attachments: image001.gif; image002.gif; Hancock Gulch #1_Pub_1.docx

Michael,
Please send us the hydrologic information for the Hancock Gulch #1 well.
Thanks,

Denise M. Onyskiw, P.E.

Underground Injection Control Program Supervisor
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203
303-894-2100 ext. 5145

denise.onyskiw@state.co.us



Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Friday, October 23, 2009 12:59 PM
To: Onyskiw, Denise
Subject: FW: Well HANCOCK GULCH 1
Attachments: EC75643.pdf; BJ Water Sample 10-14-09.pdf

Denise,

I finally got the BLM sundry. I've attached the sundry and the water sample. I know we're cutting it close to the Nov. 26 deadline. Please let me know if you need anything else from me. My landman is out today. On Monday I will get the confirmation of delivery of the letter to the nearby landowner notifying her of the well changes.

Thank you,

Jessica Donahue
Regulatory Technician
Black Hills Plateau Production, LLC
350 Indiana St.
Suite 400
Golden, CO 80401
Office: (720) 210-1333
Cell: (303) 945-9703
Fax: (720) 210-1363

-----Original Message-----

From: bob_hartman@blm.gov [mailto:bob_hartman@blm.gov]
Sent: Friday, October 23, 2009 12:17 PM
To: Donahue, Jessica
Subject: Well HANCOCK GULCH 1

The sundry for Conversion to Injection/Disposal you submitted has been approved by the BLM. Your original EC transmission was assigned ID 75643. Please be sure to open and save all attachments to this message, since they contain important information.

The request for conversion to injection is approved but prior to injecting any additional water please submit a complete list of the source wells with associated expected monthly volumes.

Depending on this submission a formal right of way will be required for water transportation and injection. The right of way may involve yearly site fees and/or per barrel fees.

In addition an approved application from COGCC for water disposal will be required prior to injecting any water into this well.

Contact Bob Hartman for additional questions.

This electronic message transmission contains information from Black Hills Corporation, its affiliate or subsidiary, which may be confidential or privileged. The information is intended to be for the use of the individual or entity named above. If you are not the intended recipient, be aware the disclosure, copying, distribution or use of the contents of this

information is prohibited. If you received this electronic transmission in error, please reply to sender immediately; then delete this message without copying it or further reading.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

5. Lease Serial No.
COC52686

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
COC47633A

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
HANCOCK GULCH 1

2. Name of Operator Contact: JESSICA DONAHUE
BLACK HILLS PLATEAU PROD LLC E-Mail: jessica.donahue@blackhillscorp.com

9. API Well No.
05-077-08155-00-S1

3a. Address
350 INDIANA STREET SUITE 400
GOLDEN, CO 80401

3b. Phone No. (include area code)
Ph: 720-210-1333

10. Field and Pool, or Exploratory
WILDCAT

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 13 T8S R99W NWNW

11. County or Parish, and State
MESA COUNTY, CO

12. CHECK APPROPRIATE BOX(ES) 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"/> Alter 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" 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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with 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 recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Black Hills Plateau Production is requesting permission to convert this existing well to an injection well and to begin injecting produced water downhole. A mechanical integrity test has been performed on this well. Please see attachments for cement reports and daily rig reports.

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

**Electronic Submission #75643 verified by the BLM Well Information System
For BLACK HILLS PLATEAU PROD LLC, sent to the Grand Junction
Committed to AFMS for processing by BOB HARTMAN on 10/23/2009 (10BH0008SE)**

Name (Printed/Typed) JESSICA DONAHUE

Title REGULATORY TECHNICIAN

Signature (Electronic Submission)

Date 10/13/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By BOB HARTMAN

Title PETROLEUM ENGINEER

Date 10/23/2009

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 Grand Junction

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.

Revisions to Operator-Submitted EC Data for Sundry Notice #75643

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	INJ NOI	INJ NOI
Lease:	COC52686	COC52686
Agreement:		COC47633A
Operator:	BLACK HILLS EXPLORATION & PROD 350 INDIANA STREET SUITE 400 GOLDEN, CO 80401 Ph: 720-210-1333	BLACK HILLS PLATEAU PROD LLC 350 INDIANA STREET SUITE 400 GOLDEN, CO 80401 Ph: 720.210.1300
Admin Contact:	JESSICA DONAHUE REGULATORY TECHNICIAN E-Mail: jessica.donahue@blackhillscorp.com Ph: 720-210-1333	JESSICA DONAHUE REGULATORY TECHNICIAN E-Mail: jessica.donahue@blackhillscorp.com Ph: 720-210-1333
Tech Contact:	JESSICA DONAHUE REGULATORY TECHNICIAN E-Mail: jessica.donahue@blackhillscorp.com Ph: 720-210-1333	JESSICA DONAHUE REGULATORY TECHNICIAN E-Mail: jessica.donahue@blackhillscorp.com Ph: 720-210-1333
Location:		
State:	CO	CO
County:	MESA	MESA
Field/Pool:	HANCOCK GULCH	WILDCAT
Well/Facility:	HANCOCK GULCH 1 Sec 13 T8S R99W NWNW	HANCOCK GULCH 1 Sec 13 T8S R99W NWNW



BJ SERVICES

**Grand Junction District Laboratory
2403 River Rd
Grand Junction, CO
Phone (970) 241-0592
Fax (970) 241-2144**

Prepared for

Black Hills Gas Resources

Hancock Gulch Hancock Gulch #1

Sec.13, T8S, R99W

Mesa County, Colorado

Rollins Formation

Water Analysis

Formation

Testing Results

Prepared for

Pat Clark

**Laboratory Project No. T#1 100709
Prepared By:
Tina Reese
Grand Junction District Laboratory
Grand Junction, CO
10/7/2009**



BJ SERVICES

Grand Junction District Laboratory

Water Analysis Report

Project # T#1 100709

Customer/Well Information

Company: Black Hills Gas Resources	Date: 10/7/2009
Well Name: Hancock Gulch Hancock Gulch #1	Prepared for: Pat Clark
Location: Sec.13, T8S, R99W	Submitted by: Ryan Spence
State: Mesa County, Colorado	Prepared by: Tina Reese
Formation: Rollins	Water Type: Formation
Depth: 3050 ft	

Background Information

Reason for Testing: _____

Completion type: _____

Well History: _____

Comments: Resistivity measured was 0.32 ohms @ 70 degrees.

Sample Characteristics

Sample Temp: 67 (°F)	Viscosity: N/D
pH: 11.72	Color: Brown
Specific Gravity: 1.016	Odor: N/D
S.G. (Corrected): 1.017 @ 60 °F	Turbidity: N/D
Resistivity (Calc): 0.34 Ω-m	Filtrates: N/D

Sample Composition

CATIONS	mg/l	me/l	ppm
Sodium (calc.)	7533	327.7	7415
Calcium	8	0.4	8
Magnesium	24	2.0	24
Barium		0.0	0
Potassium		0.0	0
Iron	20.00	0.7	19.69

ANIONS

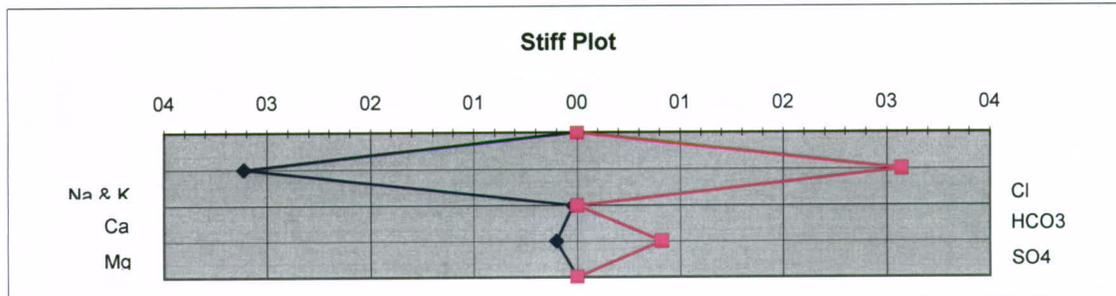
Chloride	11328	319.5	11150
Sulfate	400	8.3	394
Hydroxide	14	0.8	13
Carbonate	102	3.4	101
Bicarbonate	< 1	----	----

SUMMARY

Total Dissolved Solids(calc.)	19314		19010
Total Hardness as CaCO3	120	2.4	118

Scaling Tendencies

CaCO3 Factor	0	Calcium Carbonate Scale Probability -->REMOTE
CaSO4 Factor	3208	Calcium Sulfate Scale Probability ----->REMOTE



RECEIVED

FFR 2-6-2009

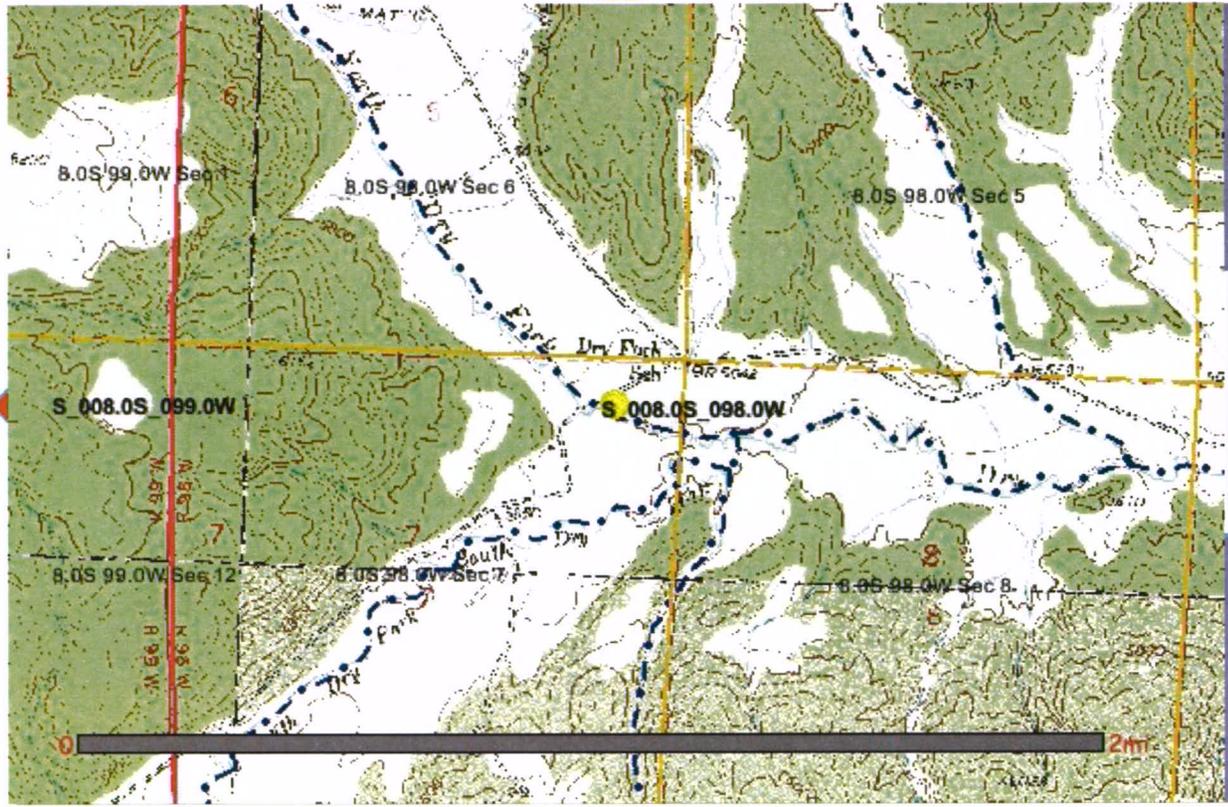


COLORADO DIVISION OF WATER RESOURCES
Online Mapping



HELP CONTACT 00104645

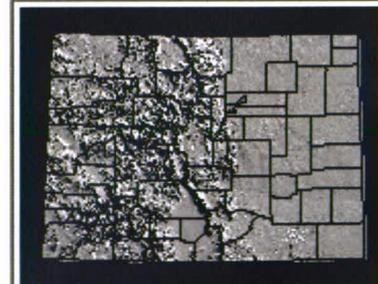
Layer List Legend Search Results Quick Zoom



Receipt	9503012B
Permit Number	277892
Division	5
City	GLENWOOD SPRINGS
Permit Suffix	
Permit Replacement	
Date Received	03/17/2008
Permit Status	Well permit issued.
Interim Status	
Interim Date	03/17/2008
Water District	70
Designated Basin	
Management District	
Name	#10 ENTERPRISES LLC
Address 1	C/O RESOURCE ENGINEERING INC
Address 2	909 COLORADO AVENUE

Map Scale 1:24000* (Map Scale is approximate due to difference in monitor displays)
[extra-large map](#) | [large map](#) | [medium map](#) | [small map](#)

Water well is 1.75 miles away from Hancock Gulch #1



RECEIVED



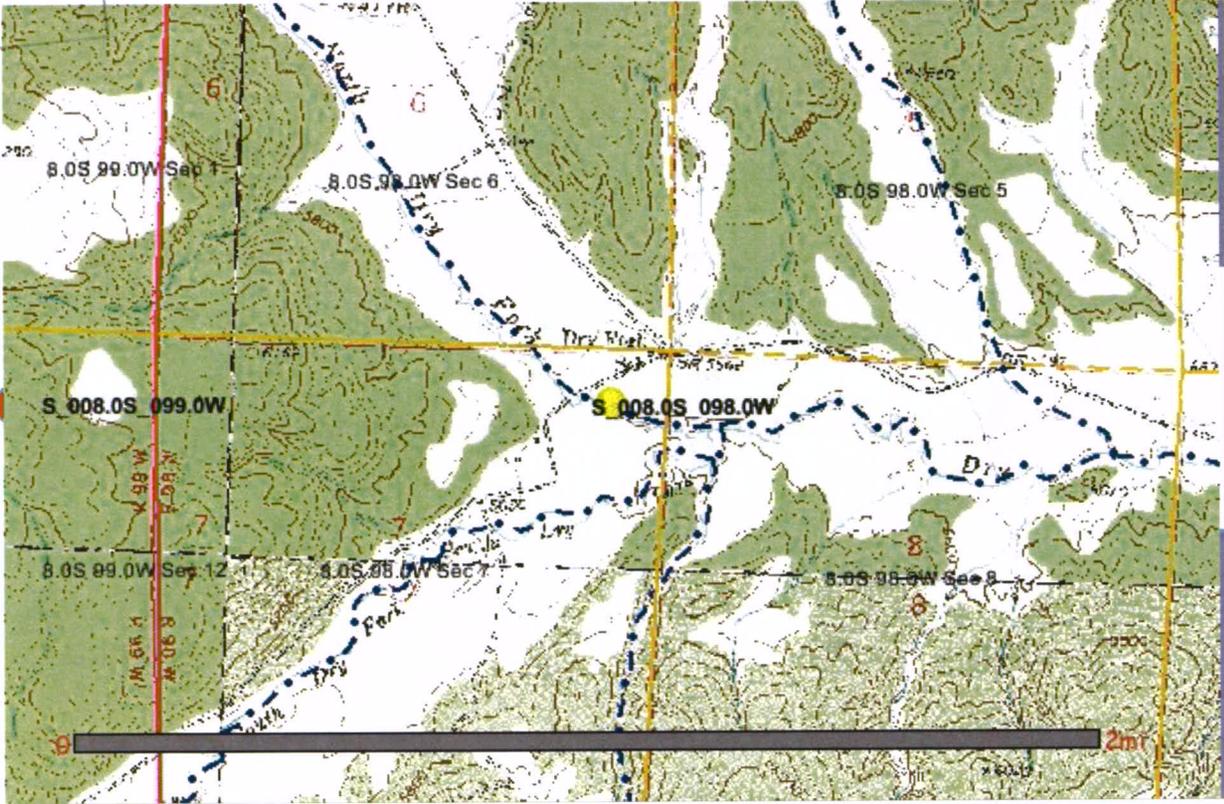
COLORADO DIVISION OF WATER RESOURCES

Online Mapping





HELP
CONTACT
00104645

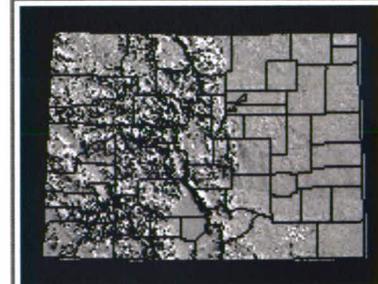


Layer List
Legend
Search
Results
Quick Zoom

Receipt	9503012A
Permit Number	277891
Division	5
City	GLENWOOD SPRINGS
Permit Suffix	
Permit Replacement	
Date Received	03/17/2008
Permit Status	Well permit issued.
Interim Status	
Interim Date	03/17/2008
Water District	70
Designated Basin	
Management District	
Name	#10 ENTERPRISES LLC
Address 1	C/O RESOURCE ENGINEERING INC
Address 2	909 COLORADO AVENUE

Map Scale 1:24000* (Map Scale is approximate due to difference in monitor displays)
[extra-large map](#) | [large map](#) | [medium map](#) | [small map](#)

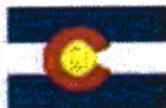
Water well is 1.75 miles away from Hancock Gulch #1



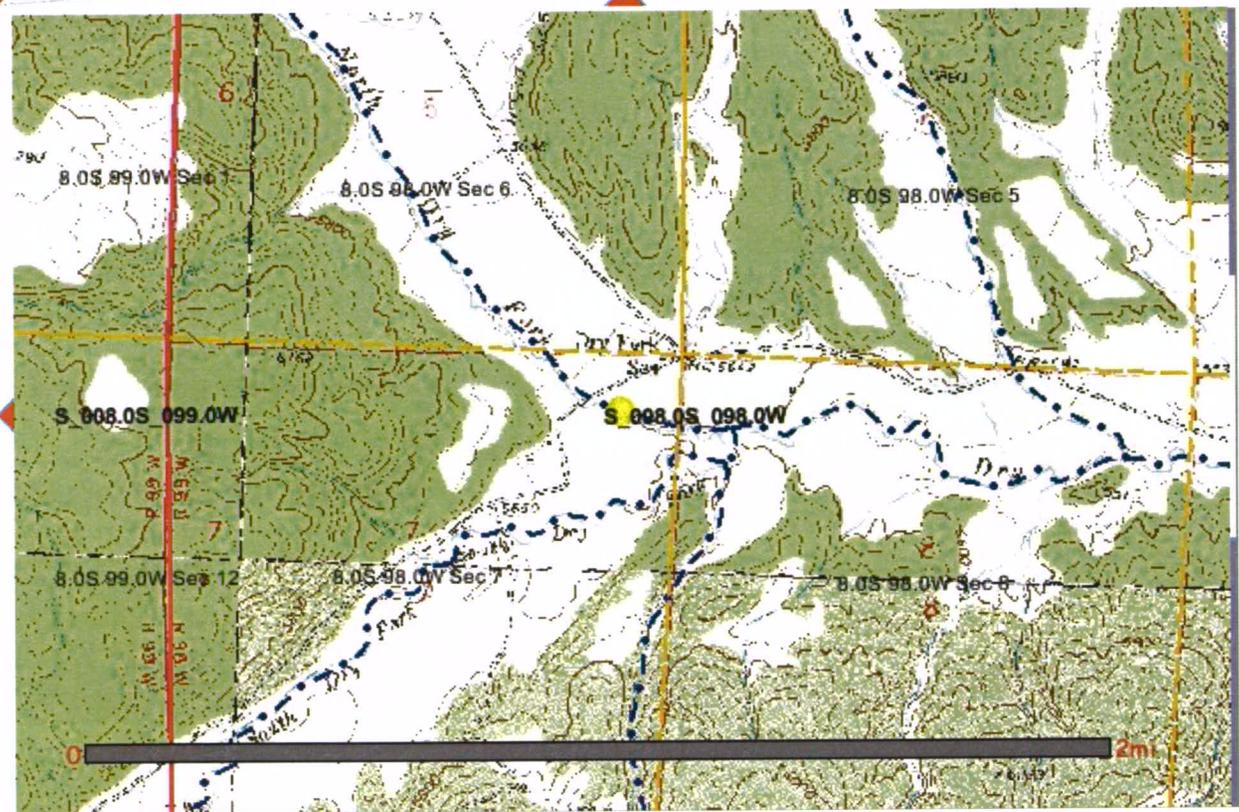
RECEIVED
CCCR
COLORADO



COLORADO DIVISION OF WATER RESOURCES Online Mapping



HELP CONTACT 00104645

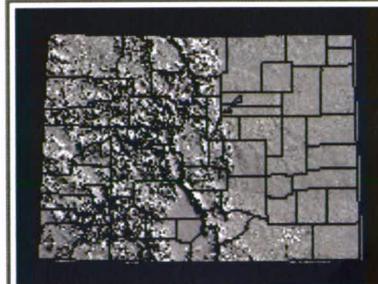


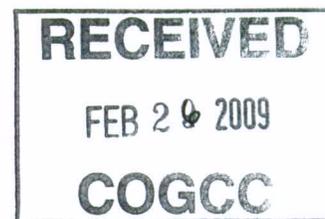
Map Scale 1:24000* (Map Scale is approximate due to difference in monitor displays)
extra-large map | large map | medium map | small map

Water well is 1.75 miles away from Hancock Gulch #1

Layer List Legend Search Results Quick Zoom

Receipt	0003190
Permit Number	13281
Division	5
City	DEBEQUE
Permit Suffix	F
Permit Replacement	
Date Received	08/26/1968
Permit Status	Canceled well permit.
Interim Status	Canceled well permit.
Interim Date	08/26/1968
Water District	70
Designated Basin	
Management District	
Name	DEGNAN ROBERT DR
Address 1	PO BOX 57
Address 2	
City	DEBEQUE
State	CO
Zip	81630
Aquifer 1	ALL UNNAMED AQUIFERS





To: Black Hills Plateau Production
2388 Leland
Grand Junction, CO 81505

Date: April 9, 2008
No: ECA/BHP 08-02

SAMPLE IDENTIFICATION

Submitted by: Stan

Date Sampled: Mar. 15, 2008

Sample I.D.: Water, Horse Canyon Fed 15-3 Date Received: March 20, 2008

Comments: Kept 4C till tested

Date Tested: March 20-April 4, 2008

RESULTS

Parameter	Result
pH	6.436
Conductivity	122,050 umhos/cm
Resistivity	0.081 ohms/m
Specific Gravity 60/60 F	1.0610
TDS	82,770 mg/L
TSS	4,320 mg/L
Chloride	44,475 mg/L
Bicarbonate	787.4 mg/L
Carbonate	0.00 mg/L
Sulfates	1,130 mg/L
Calcium	15,840 mg/L
Magnesium	2,844 mg/L
Sodium	9,800 mg/L
Potassium	3,408 mg/L
Iron	5,240 mg/L

Results submitted by
Enviro-Chem Analytical, Inc.

Liese K. Thompson

Liese K. Thompson
Lab Director

Disinfectant (CIPD) between PLNS (02/27)

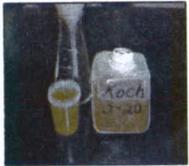
HORSESHOE CANYON - MVRD

HALLIBURTON

Water Analysis
Data Sheet
RMNWA Laboratory

Halliburton appreciates the opportunity to present this information and looks forward to being of service to you.

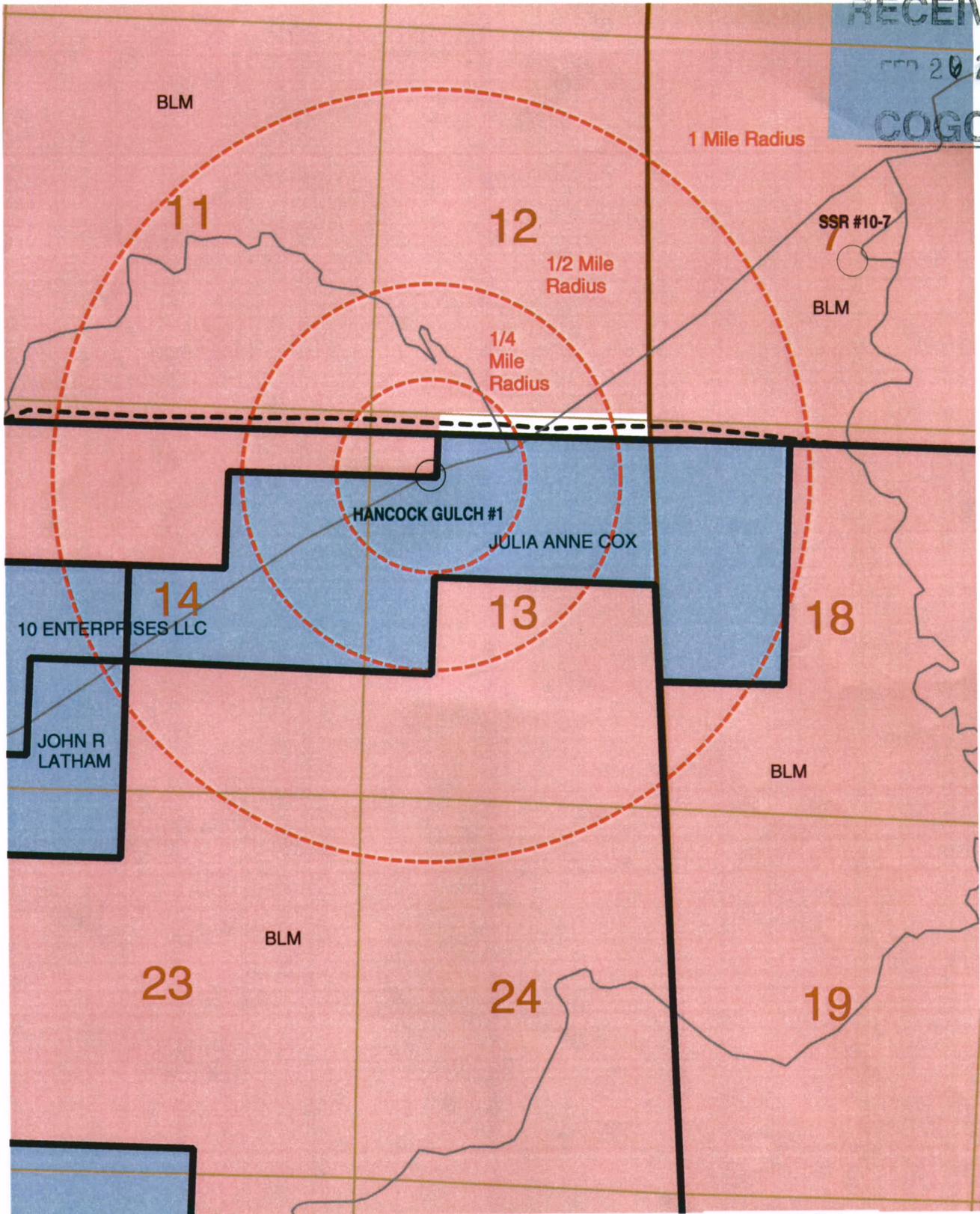
Company: Koch Exploration
Date Tested: April 22, 2005
For: _____

Date Received	28-Apr-05	22-Apr-05	22-Apr-05	31-May-83	23-Apr-80
Location	HSC 3-20	HSC 3-17	HSC 2-16	HSC #2	HSC #3
Temperature (°F)	74	72	72		71
pH	7.9	6.9	7.4	7.1	6.8
Chlorides (mg/L):	1,700	17,800	11,300	7,952	10,684
Sulfate (mg/L):	10	20	20	12	
Iron, total (mg/L):	16.4	12.1	11.2	3.0	
Iron, ferrous (mg/L):	0.0	7.4	5.6		
Bicarbonates (mg/L):	1,210	486	958	3,282	1,237
Carbonates (mg/L):	0				
Potassium (K)- (mg/L):	300			175	
Sodium (Na) - (mg/L):	1,278	9,090	6,733	5,582	
Calcium (Ca) - (mg/L):	40	894	252	510	332
Magnesium (Mg) - (mg/L):	22	846	348	49	94
TDS - (mg/L):	4,577	29,155	19,628		21,750
Resistivity - (ohm/M)	1.95	0.30	0.42	0.53	0.75
Specific Gravity	1.002	1.007	1.010	1.081	1.015
Comments, Observations:	Brown and cloudy	Orange Tint	Brown Sediment Throughout		
					

****NOTICE:** This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, resulting from the use hereof.

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 FEB 20 2009
 COGCC



1 inch = 2000 feet

LEGEND	
	Local Roads
	Private Surface
	BLM Surface
	Existing Wells

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BH
 Black Hills Exploration & Production
 Black Hills Plateau Production

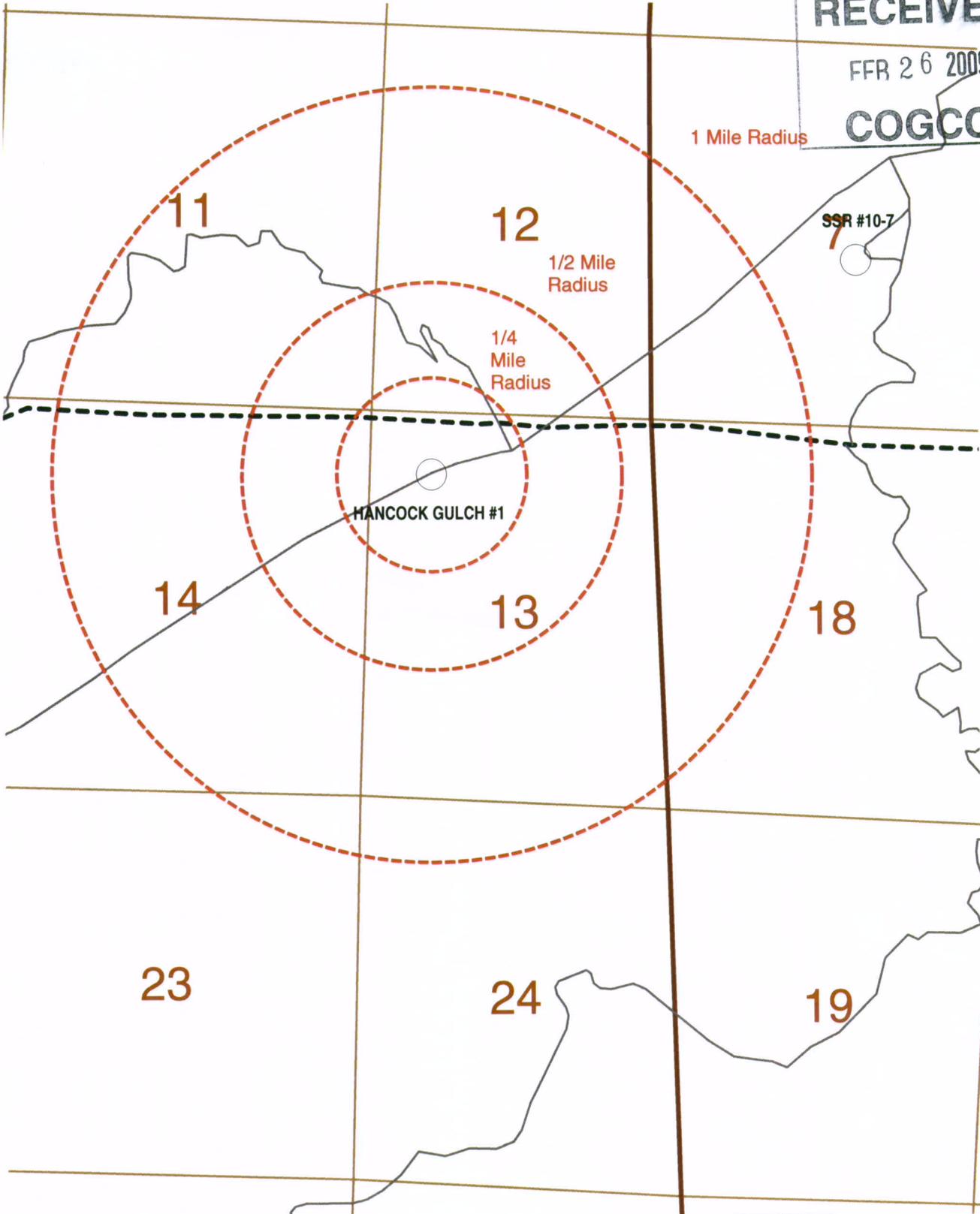
350 Indiana Street, Suite 400
 Golden, CO 80401
 Ph: 720.210.1300
 Fax: 720.210.1301

Hancock Gulch #1 Proposed Injection Well
 Surface Owners

Engineers: Dunham
 Geologists: R. White
 Land Dept: Thompson
 Permitting: Voornan / Steiner / Donahue
 Eng & GeoTech: Whitten

Date: 2009 February 26

RECEIVED
 N
 FEB 26 2009
COGCC



1 Mile Radius

1/2 Mile Radius

1/4 Mile Radius

HANCOCK GULCH #1

SSR #10-7

23

24

19

1 inch = 2000 feet



Black Hills Exploration & Production
Black Hills Plateau Production

350 Indiana Street, Suite 400
 Golden, CO 80401
 Ph: 720.243.1300
 Fax: 720.210.1301

LEGEND

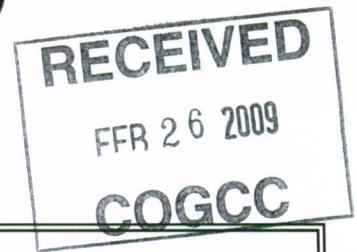
- Local Roads
- Existing Wells

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Hancock Gulch #1 Proposed Injection Well
Wells Within 1 Mile Radius

Engineer(s) Dunham
 Geologist(s) R White
 Land Dept. Thomas
 Permitting Vrooman / Shearer / Donahue
 Eng & Geotech(s) Whitten

Date(s) 2009February29



Selected Items Report

Oil and Gas Wells Selected

Filter Results by Formation Include <input type="checkbox"/> DKTA <input checked="" type="checkbox"/> MRSN <input type="button" value="Filter"/>		
WELL DESCRIPTION	LOCATION	WELL INFORMATION
05-077-08155, HANCOCK GULCH 1 BLACK HILLS PLATEAU PRODUCTION LLC	NWNW 13 8S -99W (6)	Sidetrack TD Formation Status
		00 8320 DKTA SI
		00 8320 MRSN SI

Facilities Selected

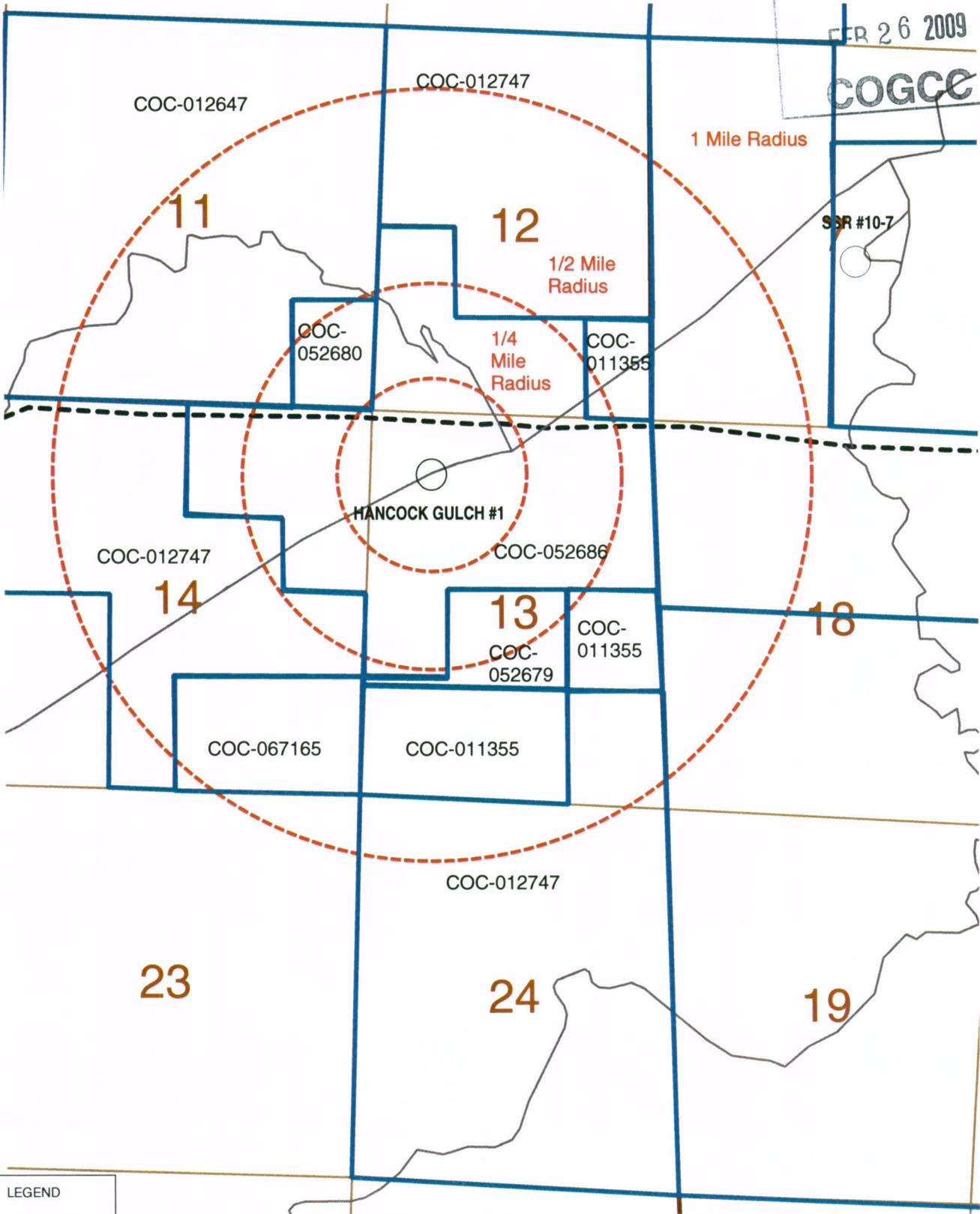
FACILITY DESCRIPTION	LOCATION	PIT INFORMATION		
		Type	Unlined	Status

No oil or gas wells within a one-mile radius

RECEIVED

FEB 26 2009

COGCC



LEGEND

- Local Roads
- Mineral Lease Boundaries
- Existing Wells

1 inch = 2000 feet



Black Hills Exploration & Production
Black Hills Plateau Production

350 Indiana Street, Suite 400
Golden, CO 80401
Ph: 726.210.1300
Fax: 726.210.1301

All leases shown on this map are leased to
Black Hills Plateau Production, LLC.

Hancock Gulch #1 Proposed Injection Well
Mineral Leases

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Engineer(s): Durham
Geologist(s): R. White
Land Dept: Thomas
Permitting: Wooman / Stearns / Donahue
Eng & Geotech(s): Whitten

Date(s): 2008February26

FORM 21 Rev. 8/00

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109



FOR OGCC USE ONLY

MECHANICAL INTEGRITY TEST

Fill out Part II of this form if well tested is a permitted or pending injection well. Send original plus one copy.

1. Duration of the pressure test must be a minimum of 15 minutes.
2. A pressure chart must accompany this report if this test was not witnessed by a OGCC representative.
3. For production wells, test pressures must be at a minimum of 300 psig.
4. For injection wells, test pressures must be at 300 psig or minimum injection pressure, whichever is greater.
5. A minimum 300 psi differential pressure must be maintained between the tubing and tubing/casing annulus pressure.
6. Do not use this form if submitting under provisions of Rule 328.a. (1) B. or C.
7. OGCC notification must be provided prior to the test.
8. Packers or bridge plugs, etc., must be set within 250 feet of the perforated interval to be considered a valid test.

Complete the Attachment Checklist

	Open	OGCC
Pressure Chart		
Cement Bond Log		
Tracer Survey		
Temperature Survey		

OGCC Operator Number: <u>10051</u>	Contact Name and Telephone <u>JESSE WHITE</u>
Name of Operator: <u>APOLLO OPERATING LNC</u>	No: <u>303-830-0888</u>
Address: <u>1538 WABER St, Ste 200</u>	Fax: <u>303-830-2818</u>
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>	
API Number: <u>05-123-25694</u> Field Name: <u>WATTENBERG</u> Field Number: _____	
Well Name: <u>APOLLO 15-18E</u> Number: _____	
Location (Qtr/Qtr, Sec, Twp, Rng, Meridian): <u>SENE 18-6N-63W</u>	

SHUT-IN PRODUCTION WELL INJECTION WELL Facility No.: 159219

Part I Pressure Test

- 5-Year UIC Test Test to Maintain SITA Status Reset Packer
 Verification of Repairs Tubing/Packer Leak Casing Leak Other (Describe): ANNUAL

Describe Repairs: NA 2 7/8 CEMENTED TO SURFACE INSIDE 5 1/2 P110 CEMENTED TO SURFACE

NA - Not Applicable	Wellbore Data at Time Test	
Injection/Producing Zone(s) <u>Lyon</u>	Perforated Interval: <input type="checkbox"/> NA <input checked="" type="checkbox"/> <u>8537-8610</u>	Open Hole Interval: <input checked="" type="checkbox"/> <u>NA</u>

Casing Test <input type="checkbox"/> NA
Use when perforations or open hole is isolated by bridge plug or cement plug
Bridge Plug or Cement Plug Depth <u>3458 KB</u>

Tubing Casing/Annulus Test <input checked="" type="checkbox"/> NA			
Tubing Size: <u>C56</u> <u>2 7/8</u>	Tubing Depth: <u>8458 KB</u>	Top Packer Depth: <u>5 nipple 8458</u>	Multiple Packers? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

Test Data					
Test Date <u>11-2-09</u>	Well Status During Test <u>SHUT IN</u>	Date of Last Approved MIT <u>10-23-08</u>	Casing Pressure Before Test <u>VAC.</u>	Initial Tubing Pressure <u>NA</u>	Final Tubing Pressure <u>NA</u>
Starting Casing Test Pressure <u>1250</u>	Casing Pressure - 5 Min. <u>1250</u>	Casing Pressure - 10 Min. <u>1250</u>	Final Casing Test Pressure <u>1250</u>	Pressure Loss or Gain During Test <u>0</u>	

Test Witnessed by State Representative? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	OGCC Field Representative: <u>Ed Binkley</u>
--	---

Part II Wellbore Channel Test

Complete only if well is or will be an injection well.

Indicate method used for cement integrity test, attach appropriate records, charts, or logs unless previously submitted.

<input type="checkbox"/> Tracer Survey Run Date: _____	<input type="checkbox"/> CBL or Equivalent Run Date: _____	<input type="checkbox"/> Temperature Survey Run Date: _____
---	---	--

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: _____

Signed: Donald L. Binkley Title: CONSULTANT Date: 11-2-09

OGCC Approval: Ed Binkley Title: Inspector Date: 11-2-09

Conditions of Approval, if any: _____

Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Friday, October 23, 2009 3:11 PM
To: Onyskiw, Denise
Subject: Hancock Gulch #1
Attachments: Hancock #1_Step-Down Test_10-8-09.pdf; HG #1 Proposed Layout_10-23-09.pdf; HANCOCK GULCH WELL # 1 PLAT 2-18-09.pdf

Denise,

I've attached the step-down test. Bob Hartman at BLM has a copy and has approved this test. Do you require anything else for this injection test?

Pat Clark mentioned that our timeline for this project has been extended for 9 months from an April date which would give us until January to complete processing this. Is that so?

On Monday, I will get you the proof of sending for the landowner letter.

I've also attached the current pad layout and the proposed layout.

Also, would you mind sending me a copy of the MIT form from today by Shawn?

If you need anything else, please let me know.

Thanks,
Jessica

Regulatory Technician
Black Hills Plateau Production, LLC
350 Indiana St.
Suite 400
Golden, CO 80401
Office: (720) 210-1333
Cell: (303) 945-9703
Fax: (720) 210-1363

Please note this new email address and update your records accordingly:
jessica.donahue@blackhillscorp.com

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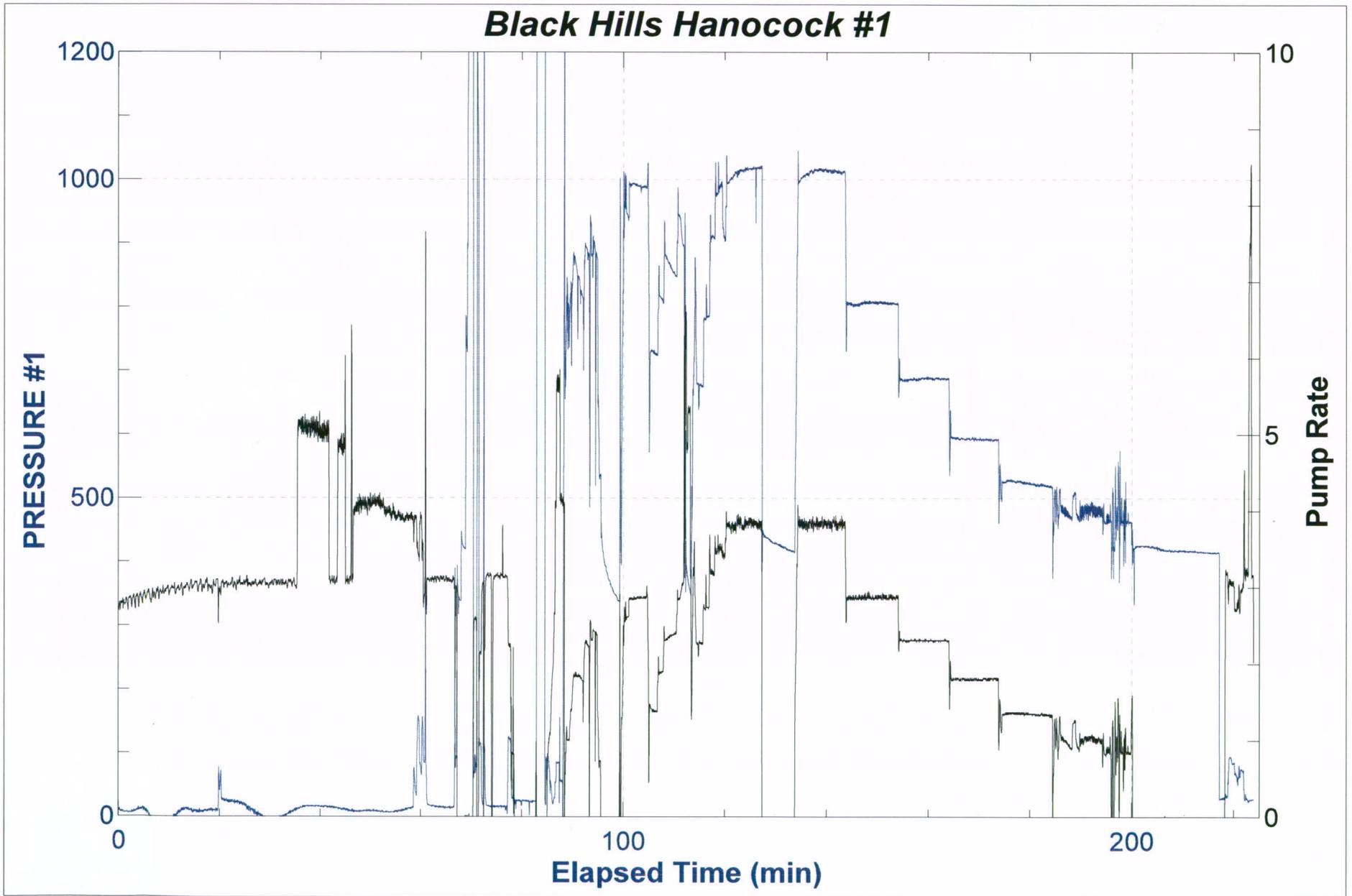


BJ Services JobMaster Program Version 3.20

Job Number: 519010127

Customer: Black Hills

Well Name: Hancock Gulch #1



Treatment Report-Supplement

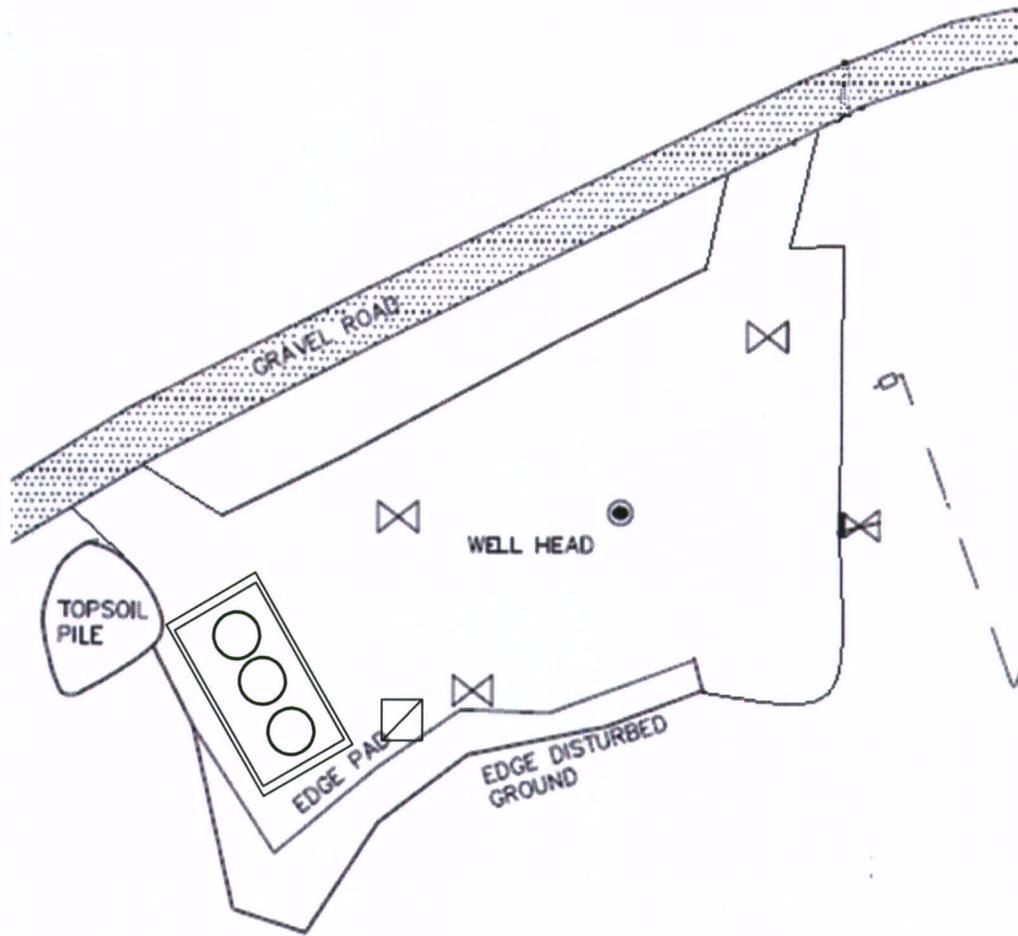


Date 08-OCT-09 District Grand Junction F.Receipt 519010127 Customer Black Hills Gas Resources
 Lease Hanocock Gulch #1 Well Name Hanocock Gulch #1
 Field _____ Location Grand Junction
 County Mesa State Colorado Stage No 1 Well API _____

TIME AM/PM	Treating Pressure-Psi		Surface Slurry BBLs. Pumped		Slurry Rate BPM	Comments
	STP	Annulus	Stage	Total		
06:00						pre journey safety meeting
06:15						leave yard
08:00						arrived on location
08:20						location assessment
08:30						spot equipment
08:40						pre rig up safety meeting
08:55						start rig up
09:50						start job
09:56	4728					pressure test lines
10:08	991			40		stablish injection rate
10:28	818			3	3	pump acid / drop balls 120
10:36	875			6.5	2.5	pump acid pick up rate to 2 bbls/min
10:39	950			12	3	pump acid pick up rate to 3 bbls/min
10:46	970			36	3.5	pump acid
10:50	1000			3	4	pump water behind acid
10:55	450			25	3.8	shut down
11:01	998			39.2	4	start pumping / injection test
11:12	805			30	3	injection test
11:22	605			25	2.5	injection test
11:32	600			20	2	injection test
11:42	500			15	1.5	injection test
11:52	475			10	1	injection test
12:28						shut down end job
12:45						post job safety meeting
13:00						start rid to rig down
13:30						depart location

Treating Pressure	Injection Rates	Shut In Pressures	Customer Rep.
Minimum	Treating Fluid 216	ISDP 425	BJ Rep. JOSE E CARCAMO
Maximum	Flush 4	5 Min.	Job Number 519010127
Average	Average 3	10 Min.	Rec. ID No. 1001123777 A
Operators Max. Pressure		15 Min.	Distribution
1000		Final 417 In Min.	
		Flush Dens. lb./gal.	

Hancock Gulch #1
Proposed Layout
T8S R99W NWNW Sect. 13
Mesa County, CO



Legend			
	Berm		Tank
	Anchor		Pump Shed

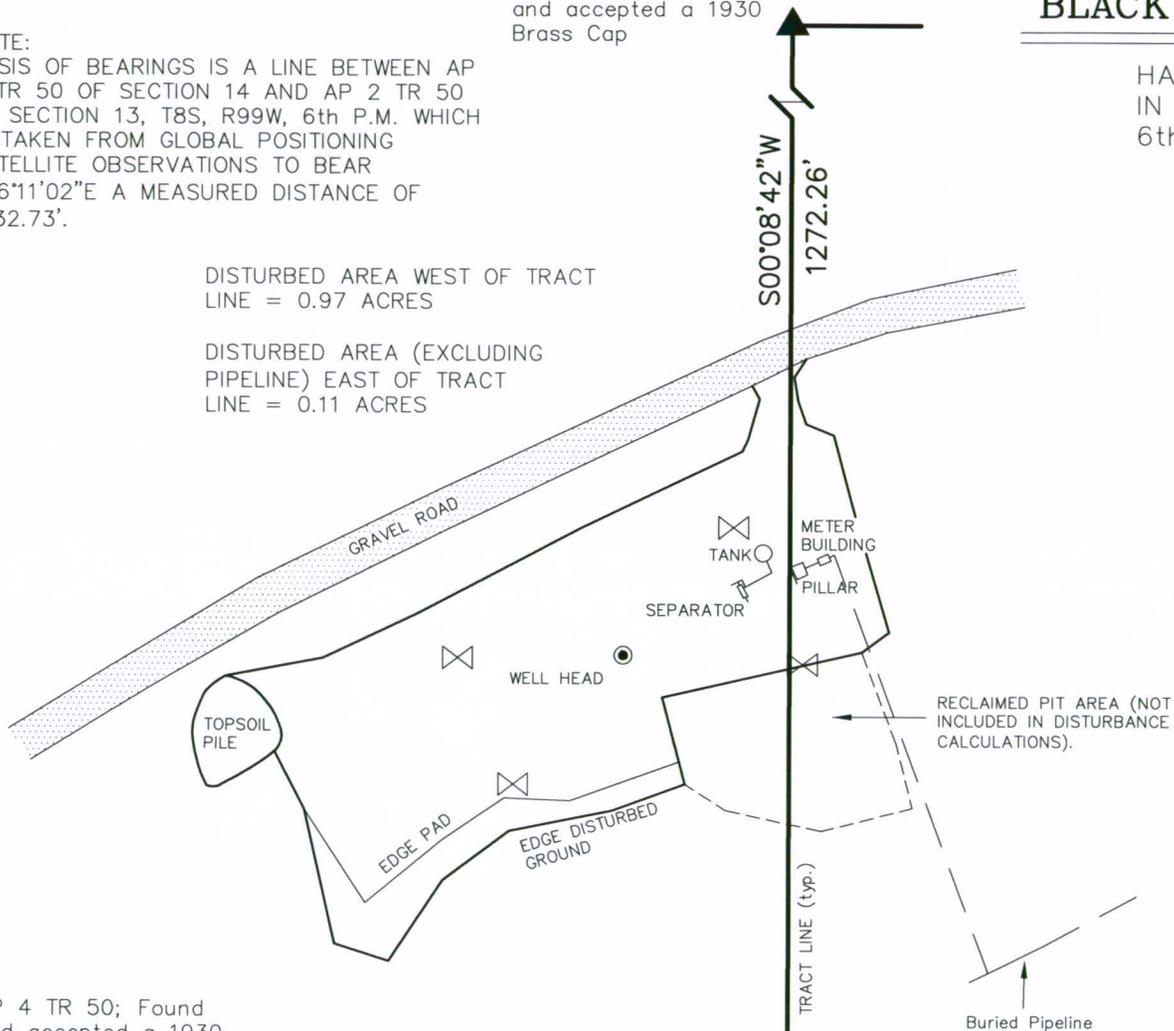
BLACK HILLS PLATEAU PRODUCTION

HANCOCK GULCH WELL # 1, LOCATED IN LOT 3 OF SECTION 13, T8S, R99W, 6th P.M. MESA COUNTY, COLORADO.

NOTE:
BASIS OF BEARINGS IS A LINE BETWEEN AP 4 TR 50 OF SECTION 14 AND AP 2 TR 50 OF SECTION 13, T8S, R99W, 6th P.M. WHICH IS TAKEN FROM GLOBAL POSITIONING SATELLITE OBSERVATIONS TO BEAR N66°11'02"E A MEASURED DISTANCE OF 3132.73'.

DISTURBED AREA WEST OF TRACT LINE = 0.97 ACRES

DISTURBED AREA (EXCLUDING PIPELINE) EAST OF TRACT LINE = 0.11 ACRES



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES, OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Kelly R. Kay
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 37982
 STATE OF COLORADO

AP 4 TR 50; Found and accepted a 1930 Brass Cap

Corner position determined by proportionate methods not set on ground.

- = ABOVE GROUND PIPELINE ⊗ = ANCHOR
- - - = BURIED PIPELINE
- ▲ = SECTION CORNERS LOCATED

TIMBERLINE (435) 789-1365	
ENGINEERING & LAND SURVEYING, INC.	
209 NORTH 300 WEST - VERNAL, UTAH 84078	
DATE SURVEYED: 02-04-09	SURVEYED BY: B.J.S.
DATE DRAWN: 02-11-09	DRAWN BY: B.J.S.
SCALE: 1" = 100'	Date Last Revised:

TOPIC:

077-08155

DATE:

12-2309

FILE UNDER:

Black Hills Plateau Production Hancock Lulch #1

PAGE:

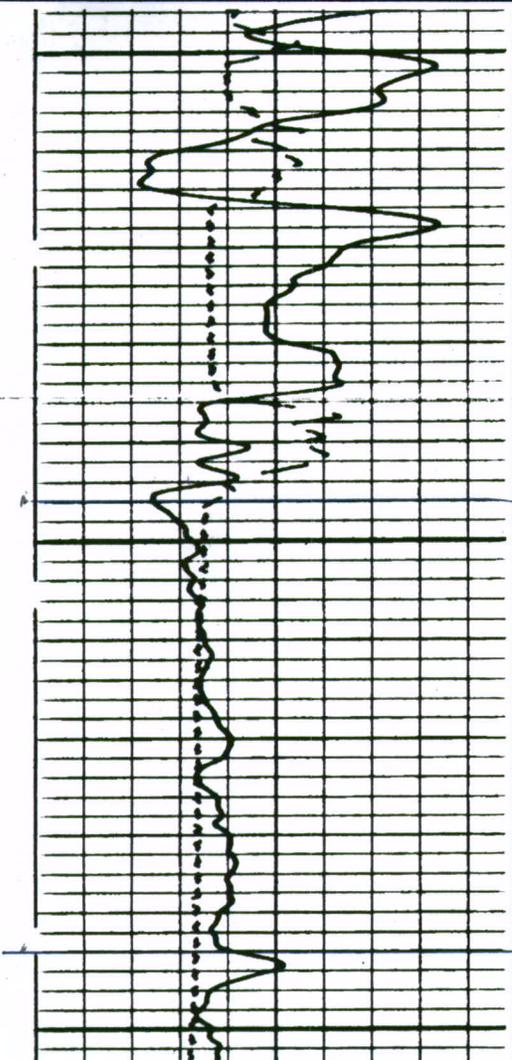
1

total volume:

$$46 \text{ ft} \times 0.125 \times (1320)^2 \times \pi \times 1 \text{ bbl} / 5.6146 \text{ ft}^3$$
$$= 5381681 \text{ bbl}$$

injection pressure:

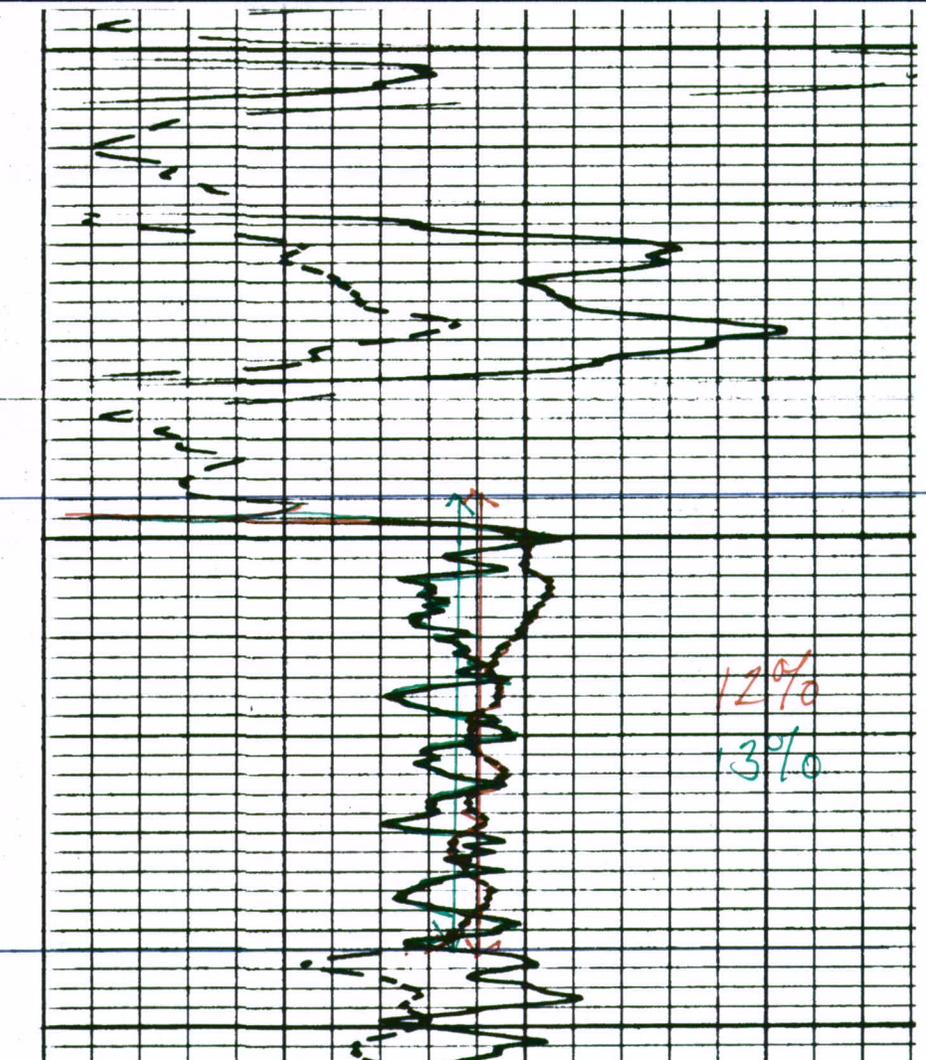
$$(0.6 - 0.433) \text{ psi/ft} \times 3052 \text{ ft} = 509.7 \text{ psi}$$



100 bpm

3000

3000



30%

26%

10%

0

12%

3%

All interpretations are opinions based on inferences from electrical or other measurements and we cannot, and do not guarantee the accuracy or correctness of these interpretations, and we shall not, except in the case of gross or willful negligence on our part, be liable or responsible for any loss, costs, damages or expenses sustained by anyone resulting from any interpretation made by any of our officers, agents or employees. These interpretations are also subject to Clause 4 of the Terms and Conditions as set out in our current Price Schedule.

CALIPER		DIAM. IN INCHES	
6			16

GAMMA RAY		API UNITS	
0			150
150			300

DEPTH

POROSITY INDEX % SANDSTONE MATRIX				
COMPENSATED FORMATION DENSITY POROSITY				
30	20	10		0

COMPENSATED NEUTRON POROSITY				
30	20	10		0

Hancock Gulch #1 Well

List of Surface Owners Within ¼ mile of the Hancock Gulch #1 Well

Bureau of Land Management
2815 H Road
Grand Junction, CO 81506

Julia Anne Cox
P.O. Box 441
Collbran, CO 81624



Hancock Gulch #1 Well

List of Mineral Owners within ¼ mile radius of the Hancock Gulch #1 Well

Bureau of Land Management
2815 H Road
Grand Junction, CO 81506

Black Hills Plateau Production, LLC
350 Indiana Street
Suite 400
Golden, CO 80401



Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Tuesday, November 10, 2009 10:05 AM
To: Onyskiw, Denise
Subject: Hancock Gulch surface owner letter
Attachments: 3997_001.pdf

Denise,

I've attached the letter we sent to the adjacent landowner.

Please let me know if you need anything else,

Thanks,
Jessica

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Black Hills Plateau Production, LLC

A Black Hills Corporation Enterprise

350 Indiana Street, Suite 400 Golden, CO 80401

David C. Thornquist
Landman

Bus: (303) 566-9436

Fax: (720) 210-1361

E-mail: david.thornquist@blackhillscorp.com

CERTIFIED MAIL

October 19, 2009

Julia and Thomas Cox
P.O. Box 441
Collbran, CO 81624

Re: Hancock Gulch #1
Sec. 13, T8S-R99W
Mesa County, CO

Dear Mr. and Mrs. Cox:

Black Hills Plateau Production, LLC ("BHPP") is the owner and operator of the Hancock Gulch #1 Well located in Lot 3, Section 13, Township 8 South, Range 99 West, 6th P.M., Mesa County, Colorado. The BLM and the State of Colorado have approved BHPP's request to convert the Hancock Gulch #1 from a non-producing shut-in gas well to a water disposal well.

The purpose of this letter is to provide you as an adjacent property owner notice of BHPP's intentions. In accordance with the rules and regulations of the COGCC and, specifically in accordance with Rule 325 j, BHPP is required to give notice to those surface owners within ¼ mile of the proposed well. The Hancock Gulch #1 is not located on lands in which you own the surface, however, your surface ownership is within ¼ mile of the well site.

Should you have any questions concerning this matter, please do not hesitate to contact me at 303-566-3369.

Very Truly Yours,



David C. Thornquist
Landman

Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Tuesday, October 27, 2009 9:14 AM
To: Onyskiw, Denise
Subject: Landowner notification
Attachments: Julia Cox_return receipt_10-27-09.pdf

Denise,

I've attached the return receipt from the letter to the landowner within ¼ mile of the Hancock Gulch #1 location.

When will the public notice go out? During a discussion this morning, someone recalled that Kevin King had mentioned putting out public notice back in April but I've never seen any confirmation of that.

Please let me know if you need anything else.

Thank you,
Jessica Donahue

Regulatory Technician
Black Hills Plateau Production, LLC
350 Indiana St.
Suite 400
Golden, CO 80401
Office: (720) 210-1333
Cell: (303) 945-9703
Fax: (720) 210-1363

Please note this new email address and update your records accordingly:
jessica.donahue@blackhillscorp.com

This electronic message transmission contains information from Black Hills Corporation, its affiliate or subsidiary, which may be confidential or privileged. The information is intended to be for the use of the individual or entity named above. If you are not the intended recipient, be aware the disclosure, copying, distribution or use of the contents of this information is prohibited. If you received this electronic transmission in error, please reply to sender immediately; then delete this message without copying it or further reading.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Julia and Thomas Cox
P.O. Box 441
Collbran, CO 81624

2. Article Number
(Transfer from service label)

7009 1680 0000 8797 1542

PS Form 3811, February 2004

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Julia Cox Addressee

B. Received by (Printed Name) C. Date of Delivery
10/22/09

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

Domestic Return Receipt

102595-02-M-1540

Onyskiw, Denise

From: King, Kevin
Sent: Monday, January 04, 2010 2:58 PM
To: Onyskiw, Denise
Subject: FW: Thank you

Denise,

FYI

Kevin J. King
NW Area Engineer
Colorado Oil & Gas Conservation Commission
707 Wapiti Ct., Suite 204
Rifle, CO 81650

970.625.2497 office
970.625.5682 fax
970.379.1035 cell

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Tuesday, April 21, 2009 9:20 PM
To: King, Kevin
Subject: Thank you

Kevin,

I just wanted to say that I really appreciated you taking the time to meet with us today. I always find phone calls easier when you have a face to go with the voice. And I wanted to say thanks for helping me narrow down the location of my Hancock Gulch injection permit. All this time we were thinking you were the slacker that was holding on to it. Now I can pester someone else.

Thanks,
Jessica

Please note my new email address: Jessica.Donahue@blackhillscorp.com

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Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Wednesday, December 30, 2009 1:48 PM
To: Onyskiw, Denise
Subject: Hancock Gulch pdf logs
Attachments: 100109_blackhills_hancockgulch_#1 RADIAL BOND TOOL.pdf; 102009_blackhills_hancockgulch_#1_dcbl.pdf

Denise,

The LAS files I uploaded yesterday were the same file for the 7". I've uploaded the 5" to the system. Both are attached as pdfs.

Let me know if you need anything else.

Thanks,
Jessica

Regulatory Technician
Black Hills Exploration and Production
1515 Wynkoop St.
Suite 500
Denver, CO 80202
Office: (720) 210-1333
Cell: (303) 945-9703
Fax: (720) 210-1363

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Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Tuesday, December 29, 2009 3:21 PM
To: Onyskiw, Denise
Subject: FW: PDF Cement files on Hancock Gulch #1
Attachments: Black Hills Hancock Mesa #1 Lnr 1001511862.pdf; Black Hills Hancock Gulch #1 Sqz 1001501901.pdf; Black Hills Hancock Gulch #1 Sqz 1001513303.pdf; Black Hills Hancock Gulch #1 Sqz 1001500089.pdf

Denise,

Here are the four cement jobs we pumped for the well.

Let me know if you need anything else.

Thanks,
Jessica

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CEMENT JOB REPORT



CUSTOMER Black Hills Gas Resources		DATE 19-OCT-09	F.R. # 1001511862	SERV. SUPV. JOSE E CARCAMO								
LEASE & WELL NAME HANCOCK GULCH #1 - API 05077081550001		LOCATION 13-8S-99W		COUNTY-PARISH-BLOCK Mesa Colorado								
DISTRICT Grand Junction		DRILLING CONTRACTOR RIG #		TYPE OF JOB Long String								
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE		PHYSICAL SLURRY PROPERTIES								
Cement Plug, Rubber, Top 5 in		SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT³	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY					
							Bbl MIX WATER					
MATERIALS FURNISHED BY BJ												
Fresh Water			8.4				5					
Premium Lite+8%bentonite+.5%sodium metasilicate		200	12	2.25	12.89		80					
CLASS "G"+1 FP-13L+.2%sodium metasilicate+		78	15.8	1.15	4.99		15.97					
Water			8.34				56					
Available Mix Water <u>400</u> Bbl.		Available Displ. Fluid <u>400</u> Bbl.		TOTAL			<u>156.97</u>					
							<u>70.57</u>					
HOLE			TBG-CSG-D.P.				COLLAR DEPTHS					
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE		
7		3019	5	15	CSG	3000						
			5	15	CSG	3015						
LAST CASING			PKR-CMT RET-BR PL-LINER			PERF. DEPTH		TOP CONN		WELL FLUID		
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE		DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.
7	23	CSG	3019						5	8 RD	WATER BASED MU	8.8
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX WATER	
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator		
56	BBLs	Water	8.34	770	0	0	0	0	3500	1500	up right tank	
Circulation Prior to Job												
Circulated Well: Rig <input checked="" type="checkbox"/> BJ <input type="checkbox"/>				Circulation Time:				Circulation Rate: BPM				
Mud Density In: 8.4 LBS/GAL				Mud Density Out: 8.4 LBS/GAL				PV & YP Mud In:				
PV & YP Mud Out:				Gas Present: NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>				Units:				
Solids Present at End of Circulation: NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>												
Displacement And Mud Removal												
Displaced By: Rig <input type="checkbox"/> BJ <input type="checkbox"/>				Amount Bled Back After Job: .3 BBLs								
Returns During Job: <input type="checkbox"/> NONE <input type="checkbox"/> PARTIAL <input checked="" type="checkbox"/> FULL				Method Used to Verify Returns: VISUAL								
Cement Returns at Surface: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO				Were Returns Planned at Surface: <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES								
Pipe Movement: <input type="checkbox"/> ROTATION <input type="checkbox"/> RECIPROCATION <input type="checkbox"/> NONE <input type="checkbox"/> UNABLE DUE TO STUCK PIPE												
Centralizers: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Quantity:				Type: <input type="checkbox"/> BOW <input type="checkbox"/> RIGID				
Job Pumped Through: <input type="checkbox"/> CHOKE MANIFOLD <input type="checkbox"/> SQUEEZE MANIFOLD <input checked="" type="checkbox"/> MANIFOLD <input type="checkbox"/> NO MANIFOLD												
Plugs												
Number of Attempts by BJ:				Competition:				Wiper Balls Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				
Quantity:				Parabow Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES								
Plug Catcher Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Was There a Bottom: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Top of Plug: FT				
Bottom of Plug: FT												
Squeezes (Update Original Treatment Report for Primary Job)												
BLOCK SQUEEZE <input type="checkbox"/>				SHOE SQUEEZE <input type="checkbox"/>				TOP OF LINER SQUEEZE <input type="checkbox"/>				
PLANNED <input type="checkbox"/>				UNPLANNED <input type="checkbox"/>								
Liner Packer: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Bond Log: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				PSI Applied: Fluid Weight: LBS/GAL				
Casing Test (Update Original Treatment Report for Primary Job)												
Casing Test Pressure: PSI				With LBS/GAL				Mud				
Time Held: Hours				Minutes								
Shoe Test (Update Original Treatment Report for Primary Job)												
Depth Drilled out of Shoe: FT				Target EMW: LBS/GAL				Actual EMW: LBS/GAL				
Number of Times Tests Conducted:				Mud Weight When Test was Conducted: LBS/GAL								

CEMENT JOB REPORT



Problems Before Job (I.E. Running Casing, Circulating Well, ETC)

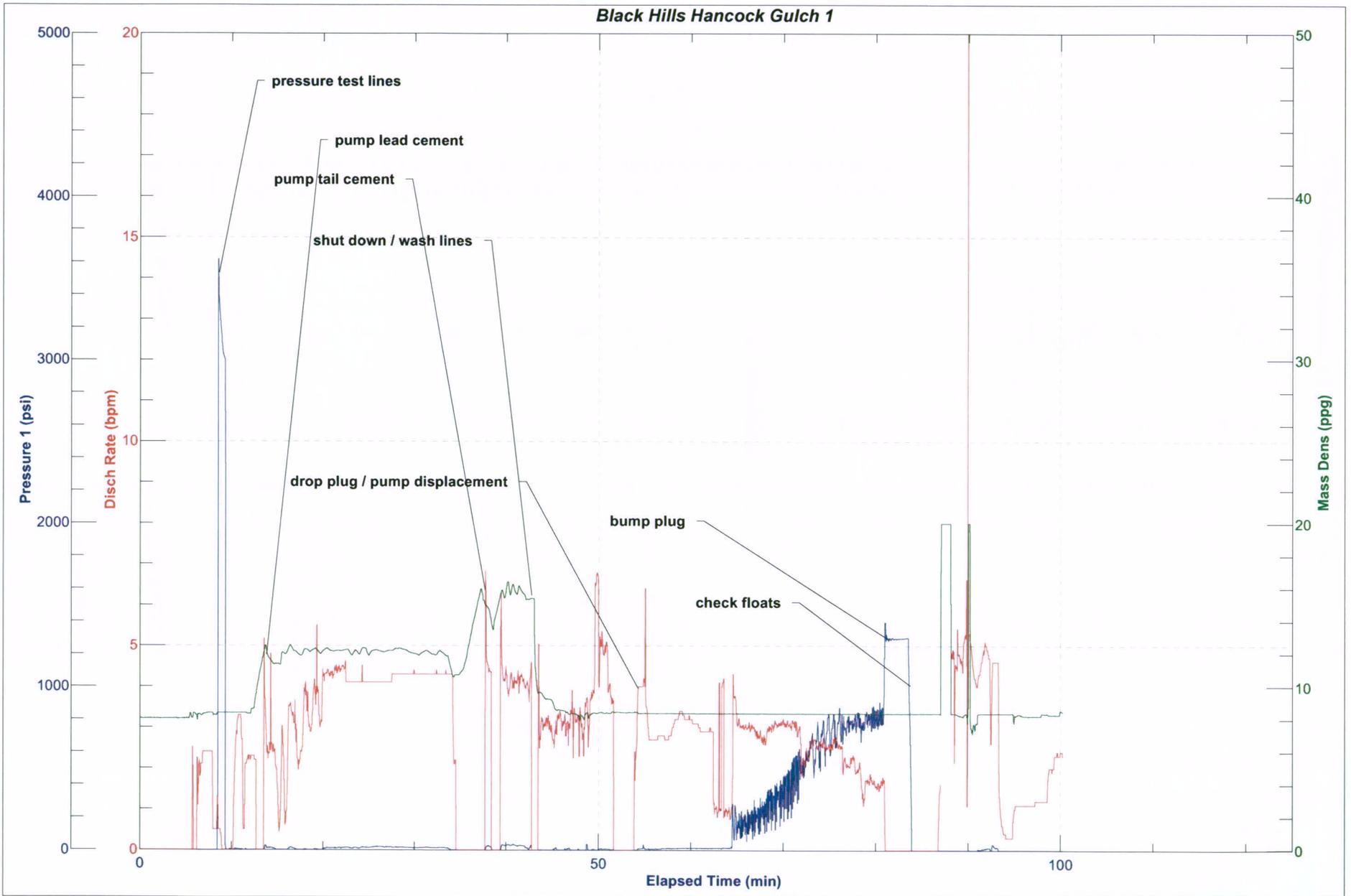
Problems During Job (I.E. Lost Returns, Equipment Failure, Bulk Delivery, Foaming, ETC)

Problems After Job (I.E. Gas at Surface, Float Equipment Failed, ETC)

EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING: none

PRESSURE/RATE DETAIL					EXPLANATION	
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input type="checkbox"/>
	PIPE	ANNULUS				TEST LINES 3200 PSI
						CIRCULATING WELL - RIG <input checked="" type="checkbox"/> BJ <input type="checkbox"/>
09:30						PRE CONVOY SAFETY MEETING
09:40						LEAVE YARD
11:00						ARRIVED ON LOCATION
11:15						LOCATION ASSESMENT
11:25						SPOT EQUIPMENT
11:30						PRE RIG UP SAFETY MEETING
11:40						START TO RIG UP
13:59						PRE JOB SAFETY MEETING
14:30						START JOB
14:31	3200				WATER	PRESSURE TEST LINES
14:33	6		2.2	5	WATER	PUMP SPACER AHEAD
14:36	9		2.4	3	CEMENT	PUMP LEAD CEMENT
14:47	18		4	40	CEMENT	PUMP LEAD CEMENT
14:59	15		4	79	CEMENT	PUMP LEAD CEMENT
14:59	29		2.2	7	CEMENT	PUMP TAIL CEMENT
15:05	34		4	16	CEMENT	PUMP TAIL CEMENT
15:05						SHUT DOWN / WASH LINES
15:12						DROP PLUG
15:17	7		2.7	10	WATER	PUMP DISPLACEMENT
15:22	20		3.4	20	WATER	PUMP DISPLACEMENT
15:32	600		3	40	WATER	PUMP DISPLACEMENT
15:37	731		2	50	WATER	PUMP DISPLACEMENT
15:43	1290		1.5	56	WATER	BUMP PLUG
15:46						CHECK FLOATS/ FLOATS HELD
						16 BBLs OF CEMENT BACK TO THE PIT.
16:30						PRE CONVOY SAFETY MEETING
16:45						DEPART LOCATION

BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	BBL.CMT RETURNS/ REVERSED	TOTAL BBL. PUMPED	PSI LEFT ON CSG	SPOT TOP OUT CEMENT	Service Supervisor Signature:
<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	1290	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	16	161	0	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	



BJ Services Company



CUSTOMER (COMPANY NAME) Black Hills Gas Resources				CREDIT APPROVAL NO. A10011176555	PURCHASE ORDER NO.	CUSTOMER NUMBER 20095285 - 00234704	INVOICE NUMBER
MAIL INVOICE TO STREET OR BOX NUMBER 2388 Leland Ave.				CITY Grand Junction	STATE Colorado	ZIP CODE 81505	
DATE WORK COMPLETED	MO. 10	DAY 19	YEAR 2009	BJ REPRESENTATIVE JOSE E CARCAMO	WELL API NO: 05077081550001	WELL TYPE : Old Well	
BJ SERVICES DISTRICT Grand Junction				JOB DEPTH(ft) 3,019	WELL CLASS : Gas		
WELL NAME AND NUMBER HANCOCK GULCH #1				TD WELL DEPTH(ft) 3,019	GAS USED ON JOB : No Gas		
WELL LOCATION :	LEGAL DESCRIPTION 13-8S-99W		COUNTY/PARISH Mesa	STATE Colorado	JOB TYPE CODE : Long String		

PRODUCT CODE	DESCRIPTION	UNIT OF MEASURE	QUANTITY	LIST PRICE UNIT	GROSS AMOUNT	PERCENT DISC.	NET AMOUNT
100021	Class G Cement	sacks	75	39.300	2,947.50	45%	1,621.13
100112	Calcium Chloride	lbs	300	1.440	432.00	45%	237.60
100120	Bentonite	lbs	1392	0.470	654.24	45%	359.83
100275	Sodium Metasilicate	lbs	101	3.670	370.67	45%	203.87
100404	Sodium Chloride	lbs	150	0.460	69.00	45%	37.95
398224	Premium Lite Cement	sacks	200	28.300	5,660.00	45%	3,113.00
424509	FP-13L	gals	2	168.000	336.00	45%	184.80
499680	Static Free	lbs	11	35.800	393.80	45%	216.59
SUB-TOTAL FOR Product Material					10,863.21	45.00%	5,974.77
A152	Personnel Surcharge - Cement Svc	ea	2	152.000	304.00	0%	304.00
M100	Bulk Materials Service Charge	cu ft	310	3.930	1,218.30	45%	670.07
R798	Automatic Density System	job	1	1,440.000	1,440.00	45%	792.00
SUB-TOTAL FOR Service Charges					2,962.30	40.38%	1,766.07

ARRIVE LOCATION :	MO. 10	DAY 19	YEAR 2009	TIME 11:00	SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER.	SERVICE RECEIPT: I CERTIFY THAT THE MATERIALS AND SERVICES LISTED WERE RECEIVED AND ALL SERVICES PERFORMED IN A WORKMANLIKE MANNER.
CUSTOMER REP. Pat Clark					<input checked="" type="checkbox"/> CUSTOMER AUTHORIZED AGENT	
SEE LAST PAGE FOR GENERAL TERMS AND CONDITIONS					<input checked="" type="checkbox"/> BJ SERVICES APPROVED	
CUSTOMER AUTHORIZED AGENT						

BJ Services Company



CUSTOMER (COMPANY NAME) Black Hills Gas Resources		CREDIT APPROVAL NO. A10011176555	PURCHASE ORDER NO.	CUSTOMER NUMBER 20095285 - 00234704	INVOICE NUMBER
MAIL INVOICE TO STREET OR BOX NUMBER 2388 Leland Ave.		CITY Grand Junction	STATE Colorado	ZIP CODE 81505	
DATE WORK COMPLETED MO. 10 DAY 19 YEAR 2009	BJ REPRESENTATIVE JOSE E CARCAMO	WELL API NO: 05077081550001	WELL TYPE : Old Well		
BJ SERVICES DISTRICT Grand Junction		JOB DEPTH(ft) 3,019	WELL CLASS : Gas		
WELL NAME AND NUMBER HANCOCK GULCH #1		TD WELL DEPTH(ft) 3,019	GAS USED ON JOB : No Gas		
WELL LOCATION :	LEGAL DESCRIPTION 13-8S-99W	COUNTY/PARISH Mesa	STATE Colorado	JOB TYPE CODE : Long String	

PRODUCT CODE	DESCRIPTION	UNIT OF MEASURE	QUANTITY	LIST PRICE UNIT	GROSS AMOUNT	PERCENT DISC.	NET AMOUNT
F007A	Cement Pump Casing, 2001 - 3000 ft	4hrs	1	5,125.000	5,125.00	45%	2,818.75
H9985	Sales Concession for HCL Job	ea	1	- 2,500.000	- 2,500.00	0%	- 2,500.00
J225	Data Acquisition, Cement, Standard	job	1	1,540.000	1,540.00	45%	847.00
	SUB-TOTAL FOR Equipment				4,165.00	72.01%	1,165.75
J401	Bulk Delivery, Dry Products	ton-mi	794	2.850	2,262.90	45%	1,244.60
	SUB-TOTAL FOR Freight/Delivery Charges				2,262.90	45.00%	1,244.60
	FIELD ESTIMATE				20,253.41	49.88%	10,151.19

ARRIVE LOCATION :	MO. 10	DAY 19	YEAR 2009	TIME 11:00	SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER.	SERVICE RECEIPT: I CERTIFY THAT THE MATERIALS AND SERVICES LISTED WERE RECEIVED AND ALL SERVICES PERFORMED IN A WORKMANLIKE MANNER.
CUSTOMER REP. Pat Clark					<input checked="" type="checkbox"/> CUSTOMER AUTHORIZED AGENT	
SEE LAST PAGE FOR GENERAL TERMS AND CONDITIONS					<input checked="" type="checkbox"/> BJ SERVICES APPROVED	
CUSTOMER AUTHORIZED AGENT						

BJ Services
CONDITIONS OF CONTRACT
Effective 08/19/96

CUSTOMER AND BJ SERVICES AGREE THAT THE SERVICES DESCRIBED ON THE FACE OF THIS SERVICE ORDER AND FIELD RECEIPT ARE TO BE PERFORMED SUBJECT TO AND IN CONSIDERATION OF THE FOLLOWING TERMS AND CONDITIONS:

1. CUSTOMER. For the purpose of this contract, the term Customer shall include agents, subsidiaries, joint venturers and partners of customers.
2. WELL CONDITION. Customer warrants that the well described on the face of this service order and field receipt is in proper condition to receive the products, supplies, materials, and services described herein.
3. INDEPENDENT CONTRACTOR. BJ Services is and shall be an independent contractor with respect to the performance of this contract and neither BJ Services nor anyone employed by BJ Services shall be the agent, representative, employee or servant of Customer in the performance of this contract or any part hereof.
4. PRICE. Customer agrees to pay BJ Services for the products, supplies, materials, and services described herein in accordance with BJ Services' current price list. In the event that BJ Services has agreed to charge Customer other than as set forth in such price list, the charges agreed upon by Customer and BJ Services shall be those set forth on the face of this service order and field receipt and the agreement of Customer thereto shall be conclusively established by its execution of the receipt set forth on the face of this service order and field receipt.
5. TERMS. Cash in advance unless BJ Services has approved credit prior to the sale. Credit terms for approved accounts are total invoice amount due on or before the 30th day from the date of the invoice at the address set forth therein. Past due accounts shall pay interest on the balance due at the rate of 1½% per month or the maximum allowable under applicable state law if such law limits interest to a lesser amount. In the event it is necessary to employ a third party to effect collection of said account, Customer agrees to pay all fees of such third party directly or indirectly incurred for such collection.
6. TAXES. Customer agrees to pay all taxes based on or measured by the charges set forth on the face of this service order and field receipt.
7. AMENDMENTS AND MODIFICATIONS. No field employee of BJ Services shall be empowered to alter the terms and conditions of this contract and BJ Services shall not be bound by any changes or modifications in this contract unless made in writing by a duly authorized executive officer of BJ Services. By requesting the goods and services set forth herein, Customer agrees to all the terms and conditions contained on both sides of this service order and field receipt, which constitutes the entire agreement between the parties, unless Customer and BJ Services have entered into a master service agreement or master work contract applicable to the services performed and products, supplies and materials furnished by BJ Services hereunder, in which event any term or provision of this service order and field receipt in conflict with the provisions thereof shall be deemed invalid to such extent. Subject only to the preceding sentence BJ Services hereby objects to any term of any purchase order, delivery ticket or receipt or other document that varies from or conflicts with the terms of this contract.
8. SEVERABILITY. It is understood and agreed by Customer and BJ Services that any term or provision of this contract prohibited by law shall be deemed invalid to the extent of such prohibition and shall be modified to the extent necessary to conform to such rule of law. Any term or provision of this contract not deemed invalid and modified pursuant to the preceding sentence shall remain in full force and effect without regard to such invalidity and modification.
9. LIMITED WARRANTY. BJ SERVICES WARRANTS ONLY TITLE TO PRODUCTS, SUPPLIES AND MATERIALS FURNISHED PURSUANT TO THIS CONTRACT AND THAT THE SAME WILL CONFORM TO THE DESCRIPTION SPECIFIED HEREIN AND ARE FREE FROM DEFECTS IN WORKMANSHIP AND MATERIALS. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. BJ SERVICES' LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDY IN ANY CAUSE OF ACTION (WHETHER IN CONTRACT, TORT, BREACH OR WARRANTY OR OTHERWISE) ARISING OUT OF THE SALE OR USE OF ANY PRODUCTS, SUPPLIES OR MATERIALS IS EXPRESSLY LIMITED TO THE REPLACEMENT OF SUCH PRODUCTS, SUPPLIES OR MATERIALS OR, AT BJ SERVICES' OPTION, TO THE ALLOWANCE TO THE CUSTOMER OF CREDIT FOR THE COST OF SUCH ITEMS. BJ SERVICES MAKES NO WARRANTIES FOR ANY EQUIPMENT, MATERIALS OR PRODUCTS MANUFACTURED BY THIRD PARTIES, BUT WILL PASS ON TO CUSTOMER ALL WARRANTIES OF THE MANUFACTURERS OF SUCH EQUIPMENT, MATERIALS OR PRODUCTS. BJ SERVICES IS UNABLE TO, AND DOES NOT, GUARANTEE THE ACCURACY OF ANY JOB RECOMMENDATION, RESEARCH ANALYSIS, DATA INTERPRETATION, OR OTHER INFORMATION FURNISHED TO CUSTOMER BY BJ SERVICES IN VIEW OF THE UNCERTAINTY OF WELL CONDITIONS AND THE RELIANCE BY BJ SERVICES AND CUSTOMER UPON INFORMATION AND SERVICES FURNISHED BY THIRD PARTIES. THEREFORE, NO WARRANTY EXPRESS OR IMPLIED IS GIVEN CONCERNING THE EFFECTIVENESS OF THE PRODUCTS, SUPPLIES OR MATERIALS USED, RECOMMENDATIONS GIVEN, OR SERVICES PERFORMED BY BJ SERVICES. CUSTOMER AGREES THAT BJ SERVICES SHALL NOT BE RESPONSIBLE FOR ANY DAMAGES ARISING FROM THE USE OF DATA FURNISHED BY BJ SERVICES. CUSTOMER ACCEPTS FULL RESPONSIBILITY FOR RETURNING THE WELL DESCRIBED ON THE FACE OF THIS SERVICE ORDER AND FIELD RECEIPT TO PRODUCTION. BJ SERVICES DOES NOT GUARANTEE THE EFFECTIVENESS OF THE PRODUCTS, SUPPLIES OR MATERIALS FURNISHED PURSUANT TO THIS CONTRACT NOR THE RESULTS OF ANY TREATMENT OR SERVICE IT PERFORMS HEREUNDER.
10. FORCE MAJEURE. Any delays or failure by BJ Services in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike or other labor trouble, accident, riot, acts of God, or any other cause beyond the reasonable control of BJ Services.
11. CHEMICAL DISPOSAL. Customer agrees that all chemicals used in performance of this contract which are not removed from the location of the well by BJ Services shall be disposed of by Customer in accordance with all applicable federal, state and local laws and regulations.

12. LIABILITY AND INDEMNITY OBLIGATIONS.

(A) BJ SERVICES SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE CUSTOMER, ITS PARENT, SUBSIDIARY AND AFFILIATED COMPANIES AND ITS AND THEIR OFFICERS, DIRECTORS AND EMPLOYEES ("CUSTOMER GROUP") FROM AND AGAINST ALL CLAIMS, DEMANDS, LOSSES, LIABILITIES, PENALTIES, COSTS, EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER (COLLECTIVELY, "CLAIMS") ARISING IN FAVOR OF (I) BJ SERVICES' EMPLOYEES OR THE EMPLOYEES OF BJ SERVICES' SUBCONTRACTORS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO PROPERTY OR (II) BJ SERVICES ON ACCOUNT OF DAMAGE TO BJ SERVICES' PROPERTY, EXCEPT AS OTHERWISE PROVIDED BELOW, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF CUSTOMER GROUP.

(B) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS AND RELEASE BJ SERVICES, ITS PARENT, SUBSIDIARY AND AFFILIATED COMPANIES AND ITS AND THEIR OFFICERS, DIRECTORS AND EMPLOYEES ("BJ SERVICES GROUP") FROM AND AGAINST ALL CLAIMS ARISING IN FAVOR OF (I) CUSTOMER'S EMPLOYEES OR THE EMPLOYEES OF CUSTOMER'S OTHER CONTRACTORS OR THEIR SUBCONTRACTORS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO PROPERTY, OR (II) CUSTOMER ON ACCOUNT OF LOSS OR DAMAGE TO CUSTOMER'S PROPERTY, EXCEPT AS OTHERWISE PROVIDED BELOW, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(C) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE CLEANUP OR REMOVAL THEREOF ARISING OUT OF OR CONNECTED WITH THE PERFORMANCE BY BJ SERVICES OF SERVICES FOR THE CUSTOMER (AND NOT ASSUMED BY BJ SERVICES IN THE FOLLOWING SENTENCE) INCLUDING BUT NOT LIMITED TO CLAIMS THAT MAY RESULT FROM WELL FIRE, BLOWOUT, CRATERING, SEEPAGE OR ANY OTHER UNCONTROLLABLE FLOW OF OIL, GAS, WATER OR OTHER SUBSTANCES, INCLUDING CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP. BJ SERVICES SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS CUSTOMER GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE REMOVAL THEREOF, ORIGINATING ABOVE THE SURFACE OF THE EARTH FROM SPILLS, LEAKS OR DISCHARGES OF FUELS, LUBRICANTS, MOTOR OILS, PIPE DOPE, PAINT, SOLVENTS, SLUDGE OR GARBAGE IN THE POSSESSION AND CONTROL OF BJ SERVICES AND ASSOCIATED WITH CONTRACTORS' EQUIPMENT AND FACILITIES, EXCEPTING ANY POLLUTION IN RESERVE PITS FROM FLOWBACK INCIDENT TO B.J. SERVICES' OPERATIONS.

(D) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING IN FAVOR OF CUSTOMER OR ANY THIRD PARTY INCLUDING, BUT NOT LIMITED TO, ANY GOVERNMENTAL ENTITY OR PARTY FOR WHOM CUSTOMER IS ACTING (INCLUDING CUSTOMER'S CO-WORKING INTEREST OWNERS) FOR ALL DAMAGES OR LOSSES RESULTING FROM PRODUCTS, SERVICES OR EQUIPMENT PROVIDED BY BJ SERVICES ON ACCOUNT OF (I) LOSS OF THE HOLE, (II) DAMAGE OR INJURY TO ANY DOWNHOLE PROPERTY OR ANY PROPERTY RIGHT IN OR TO OIL, GAS OR OTHER SUBSTANCES OR WATER (III) LOSS OR DAMAGE TO, OR CONTAMINATION OF, ANY FORMATIONS, STRATA OR RESERVOIRS BENEATH THE EARTH'S SURFACE, (IV) SUBSURFACE TRESPASS OR (V) ANY OTHER SIMILAR LOSSES OR DAMAGES, AND WITHOUT REGARD TO THE NEGLIGENCE OF ANY PARTY OR PARTIES, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(E) CUSTOMER WILL ASSUME LIABILITY FOR BJ SERVICES' EQUIPMENT WHICH MAY BE LOST OR DAMAGED IN THE HOLE, REGARDLESS OF ANY NEGLIGENCE OF ANY PARTY, AND WILL AT ITS OWN EXPENSE AND RISK ATTEMPT TO RECOVER SUCH EQUIPMENT. THE VALUE OF ANY UNRECOVERABLE, LOST OR DAMAGED EQUIPMENT SHALL BE REIMBURSED BY CUSTOMER AT THE FAIR MARKET VALUE ON THE DATE OF LOSS OF SUCH EQUIPMENT, BUT IN NO EVENT AT A VALUE LESS THAN 50% OF THE THEN CURRENT REPLACEMENT COST.

(F) BJ SERVICES AND CUSTOMER AGREE TO SUPPORT THEIR INDEMNITY OBLIGATIONS HEREIN BY FURNISHING LIABILITY INSURANCE COVERAGE OR QUALIFIED SELF INSURANCE IN AN AMOUNT OF NO LESS THAN \$2,000,000. HOWEVER BJ SERVICES AND CUSTOMER AGREE AND INTEND THAT, TO THE FULLEST EXTENT ALLOWED FROM TIME TO TIME BY APPLICABLE LAW, THEIR RESPECTIVE INDEMNITIES UNDER THESE TERMS AND CONDITIONS ARE TO APPLY WITHOUT LIMIT, AND ARE NOT TO BE LIMITED TO THE AMOUNT OF INSURANCE EITHER OF THEM MAY FROM TIME TO TIME MAINTAIN OR AGREE TO MAINTAIN. IF IT SHOULD BE DETERMINED THAT THE INDEMNITY OBLIGATIONS ASSUMED HEREUNDER THAT ARE TO BE SUPPORTED EITHER BY INSURANCE OR SELF INSURANCE EXCEEDS THAT WHICH IS PERMITTED UNDER APPLICABLE LAW, THEN SUCH INDEMNITIES SHALL AUTOMATICALLY BE AMENDED TO CONFORM TO THE MONETARY LIMITS PERMITTED UNDER SUCH LAW.

13. CONFIDENTIAL INFORMATION. Customer and BJ Services will use their best efforts to maintain the confidentiality of all records and proprietary information obtained by either party in the performance of any services by BJ Services. Such information will not be disclosed by either party to its employees unless it is necessary in order to perform or evaluate such services, or to any third parties without the prior consent of the other party.

14. WAIVER. (A) Neither BJ Services nor Customer will be liable to the other for special, incidental, indirect or consequential damages resulting from or arising out of the products or equipment provided or the services performed by BJ Services hereunder, including but not limited to, loss of profit or revenue or business interruption losses, whether or not arising under an alleged breach of warranty or caused by the sole, joint and/or comparative negligence, strict liability or other fault of either party.
(B) Customer represents that it is a business consumer purchasing products and services from BJ Services for commercial use, that it has experience in business matters that enable it to evaluate the merits and risks of the purchase of such products and services, and that it is not in a significantly disparate bargaining position. Customer waives the provisions of the Texas Deceptive Trade Practices Act (other than section 17), as from time to time amended.

15. GOVERNING LAW. This contract shall be governed by the law of the State of Texas.

CEMENT JOB REPORT



CUSTOMER Black Hills Gas Resources		DATE 25-SEP-09	F.R. # 1001501901	SERV. SUPV. Louis Duarte							
LEASE & WELL NAME Hancock Gulch #1		LOCATION		COUNTY-PARISH-BLOCK Mesa Colorado							
DISTRICT Grand Junction		DRILLING CONTRACTOR RIG #		TYPE OF JOB Squeeze-Hole							
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE		PHYSICAL SLURRY PROPERTIES							
None		SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT³	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY	Bbl MIX WATER			
MATERIALS FURNISHED BY BJ											
Type III		100	14.5	1.39	6.79		24.79	16.16			
Type III 2%		100	14.5	1.39	6.81		24.76	16.22			
Available Mix Water <u>80</u> Bbl.		Available Displ. Fluid <u>50</u> Bbl.		TOTAL			49.55	32.38			
HOLE			TBG-CSG-D.P.				COLLAR DEPTHS				
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE	
			7	26	CSG	5000	J-55				
LAST CASING			PKR-CMT RET-BR PL-LINER		PERF. DEPTH		TOP CONN		WELL FLUID		
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE	DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.
				Cement Retainer	2790			2.375	8RD	FRESH WATER	8.34
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX WATER
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator	
10.7	BBLS			0	1209	2500	7700	6160	7530	6024	Truck

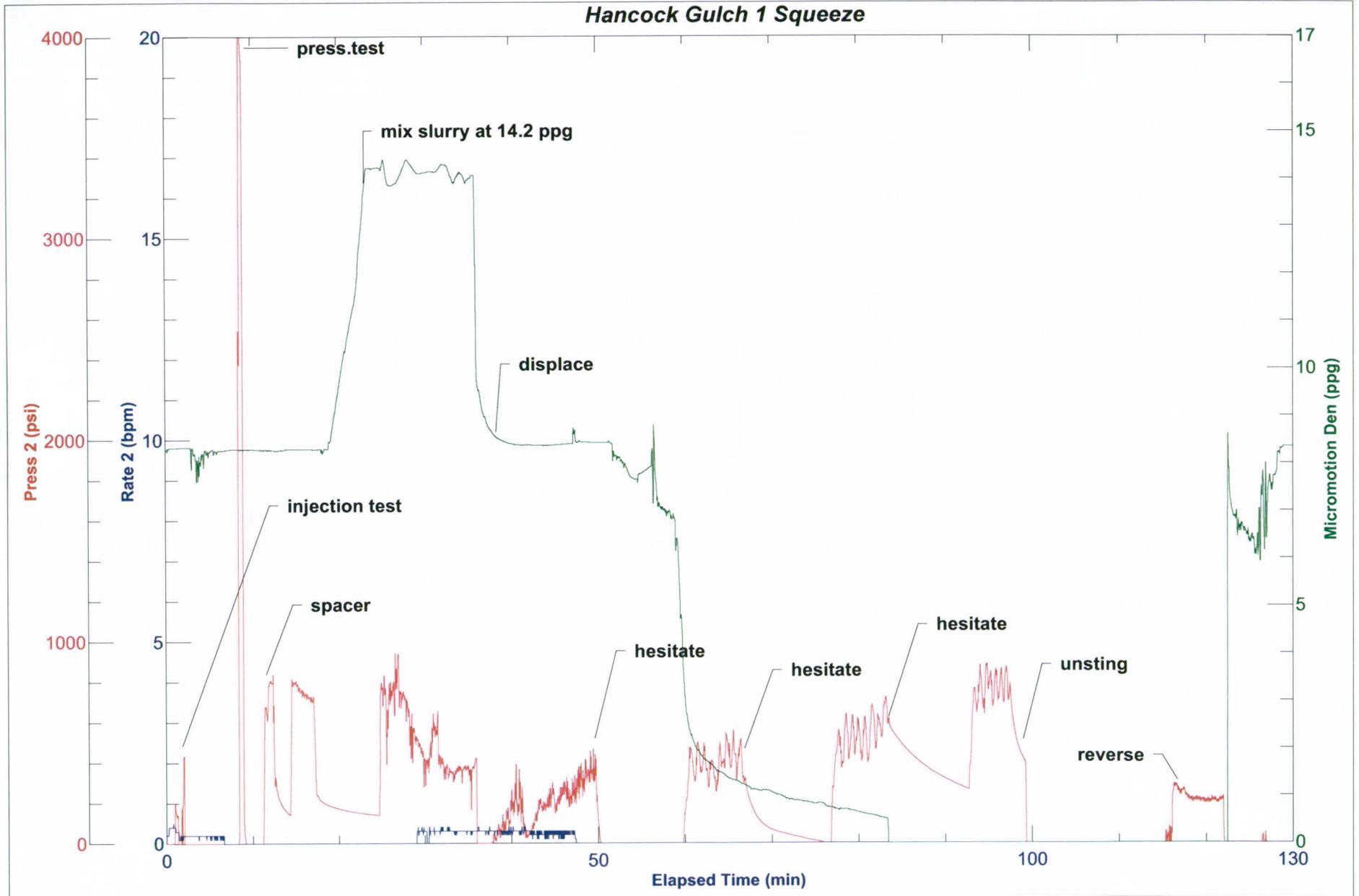
EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING:

PRESSURE/RATE DETAIL						EXPLANATION	
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input checked="" type="checkbox"/>	
	PIPE	ANNULUS				TEST LINES	4000 PSI
						CIRCULATING WELL - RIG	<input type="checkbox"/> BJ <input checked="" type="checkbox"/>
09:15						pre safety and convoy meeting.	
09:32						leave yard.	
10:55						on loc.	
11:09						pre rig up meeting.	
12:00						safety meeting.	
12:35	4000	0	1	1	WATER	press.test.	
12:40	800	0	2	5	KCL	injection test.	
12:43	800	0	2	5	WATER	spacer.	
12:54	580	0	2	24.7	SLURRY	pump 100 sx of cement at 14.2 ppg.	
13:02	200	0	2	6	WATER	displace w/ water 1st 5 bbls then kcl.	
13:14	150	0	.75	2	KCL	displace.	
13:19	0	0	0	0	KCL	shut down wait 10 min.	
13:29	450	0	.5	1	KCL	displace.	
13:36	0	0	0	0	KCL	shut down wait 10 min.	
13:46	650	0	.5	1	KCL	displace.	
13:52	0	0	0	0	KCL	shut down wait 10 min.	
14:02	850	0	.5	.7	KCL	displace.	
14:07	875	0	0	0	KCL	shut down and unsting.	
14:16	400	0	3	22	KCL	reverse out.	
14:22						end job. wash up.	
15:00						post meeting.	
15:15						leave location.	

BUMPED PLUG Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	PSI TO BUMP PLUG 0	TEST FLOAT EQUIP. Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	BBL.CMT RETURNS/ REVERSED 1	TOTAL BBL. PUMPED 40.7	PSI LEFT ON CSG 0	SPOT TOP OUT CEMENT Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	SERVICE SUPERVISOR SIGNATURE:
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Hancock Gulch 1 Squeeze



CEMENT JOB REPORT



CUSTOMER Black Hills Gas Resources		DATE 25-SEP-09	F.R. # 1001501901		SERV. SUPV. Louis Duarte						
LEASE & WELL NAME Hanocock Gulch #1			LOCATION		COUNTY-PARISH-BLOCK Mesa Colorado						
DISTRICT Grand Junction			DRILLING CONTRACTOR RIG #		TYPE OF JOB Squeeze-Hole						
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE		PHYSICAL SLURRY PROPERTIES							
None				SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT³	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY	Bbl MIX WATER	
MATERIALS FURNISHED BY BJ											
Type III				100	14.5	1.39	6.79		24.79	16.16	
Type III 2%				100	14.5	1.39	6.81		24.76	16.22	
Available Mix Water <u>80</u> Bbl.		Available Displ. Fluid <u>50</u> Bbl.						TOTAL	49.55	32.38	
HOLE			TBG-CSG-D.P.				COLLAR DEPTHS				
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE	
			7	26	CSG	5000	J-55				
LAST CASING			PKR-CMT RET-BR PL-LINER			PERF. DEPTH		TOP CONN		WELL FLUID	
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE	DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.
				Cement Retainer	2790			2.375	8RD	FRESH WATER	8.34
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX WATER
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator	
10.7	BBLs			0	1209	2500	7700	6160	7530	6024	Truck
EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING:											
PRESSURE/RATE DETAIL						EXPLANATION					
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input checked="" type="checkbox"/>					
	PIPE	ANNULUS				TEST LINES 4000 PSI					
						CIRCULATING WELL - RIG <input type="checkbox"/> BJ <input checked="" type="checkbox"/>					
09:15						pre safety and convoy meeting.					
09:32						leave yard.					
10:55						on loc.					
11:09						pre rig up meeting.					
12:00						safety meeting.					
12:35	4000	0	1	1	WATER	press.test.					
12:40	800	0	2	5	KCL	injection test.					
12:43	800	0	2	5	WATER	spacer.					
12:54	580	0	2	24.7	SLURRY	pump 100 sx of cement at 14.2 ppg.					
13:02	200	0	2	6	WATER	displace w/ water 1st 5 bbls then kcl.					
13:14	150	0	.75	2	KCL	displace.					
13:19	0	0	0	0	KCL	shut down wait 10 min.					
13:29	450	0	.5	1	KCL	displace.					
13:36	0	0	0	0	KCL	shut down wait 10 min.					
13:46	650	0	.5	1	KCL	displace.					
13:52	0	0	0	0	KCL	shut down wait 10 min.					
14:02	850	0	.5	.7	KCL	displace.					
14:07	875	0	0	0	KCL	shut down and unsting.					
14:16	400	0	3	22	KCL	reverse out.					
14:22						end job. wash up.					
15:00						post meeting.					
15:15						leave location.					
BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	BBL.CMT RETURNS/ REVERSED	TOTAL BBL. PUMPED	PSI LEFT ON CSG	SPOT TOP OUT CEMENT	SERVICE SUPERVISOR SIGNATURE:				
Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	0	Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	1	40.7	0	Y <input type="checkbox"/> N <input checked="" type="checkbox"/>					

CEMENT JOB REPORT



CUSTOMER Black Hills Gas Resources		DATE 21-OCT-09	F.R. # 1001513303	SERV. SUPV. JOSE E CARCAMO							
LEASE & WELL NAME HANCOCK GULCH #1 - API 05077081550000		LOCATION 13-8S-99W		COUNTY-PARISH-BLOCK Mesa Colorado							
DISTRICT Grand Junction		DRILLING CONTRACTOR RIG #		TYPE OF JOB Squeeze-Hole							
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE		PHYSICAL SLURRY PROPERTIES							
		SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT³	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY	Bbl MIX WATER			
MATERIALS FURNISHED BY BJ											
Type III+4% static free		200	14.5	1.39	6.81		49.52	32.43			
water			8.34				6				
Available Mix Water <u>80</u> Bbl.		Available Displ. Fluid <u>80</u> Bbl.		TOTAL			55.52	32.43			
HOLE			TBG-CSG-D.P.				COLLAR DEPTHS				
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE	
			7	26	CSG	500					
LAST CASING			PKR-CMT RET-BR PL-LINER		PERF. DEPTH		TOP CONN		WELL FLUID		
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE	DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.
								7	8 RD	WATER BASED MU	8.4
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX WATER
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator	
6	BBLS	water	8.34	0	0	0	0	0	5320	500	water truck

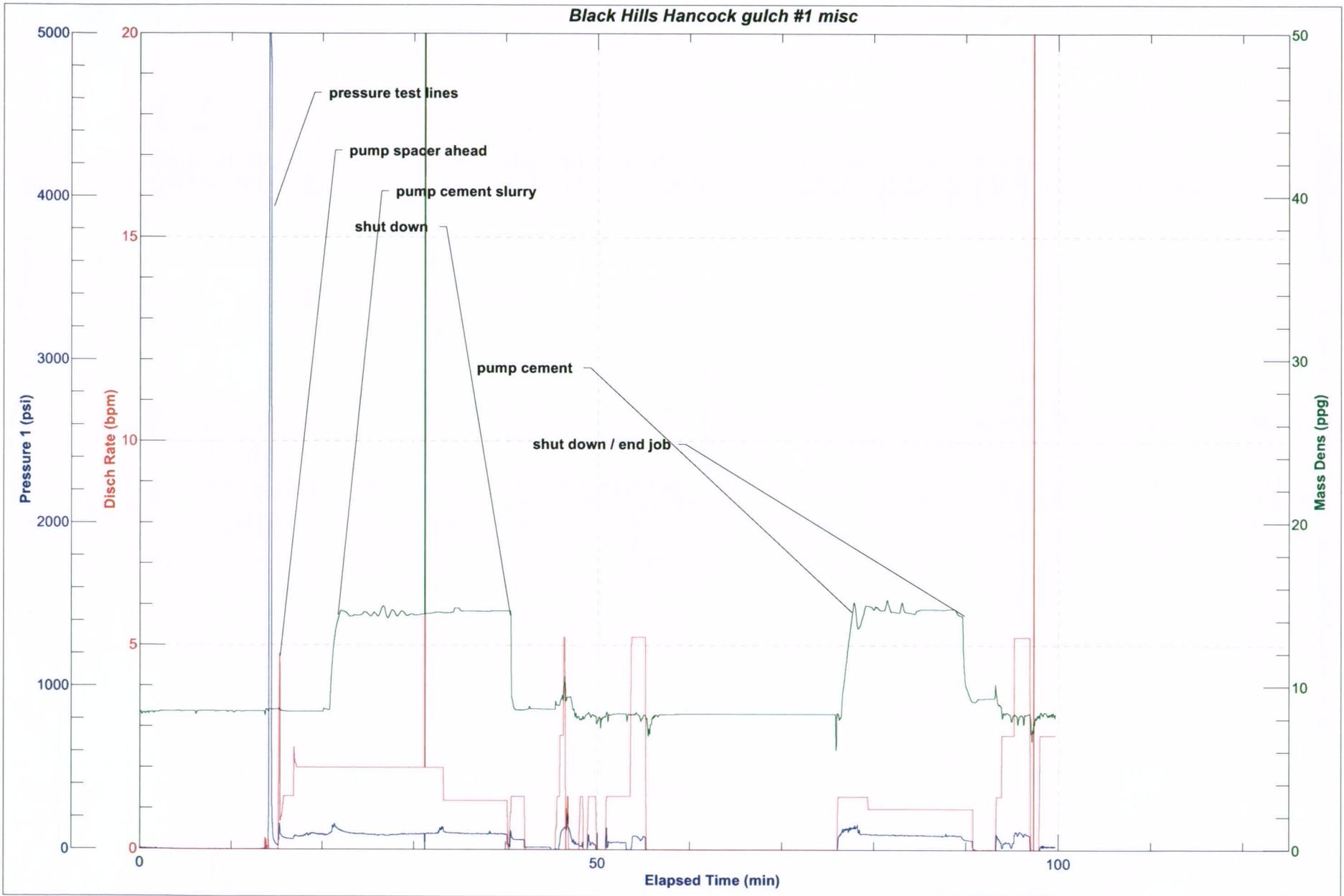
EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING: none

PRESSURE/RATE DETAIL						EXPLANATION				
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input type="checkbox"/>				
	PIPE	ANNULUS				TEST LINES	5100 PSI	CIRCULATING WELL - RIG <input checked="" type="checkbox"/>	BJ	<input type="checkbox"/>
04:50										pre convoy safety meeting
05:00										leave yard
06:40										arrived on location
06:45										location assesment
06:59										spot equipment
07:05										pre rig up safety meeting
07:15										start to rig up
07:40										pre job safety meeting
08:05										start job
08:10	5100									pressure test lines
08:12	100		2	10	WATER					pump spacer ahead
08:18	140		2	3	CEMENT					pump cement slurry
08:26	92		2	20	CEMENT					pump cement slurry
08:34	97		1.2	33.5	CEMENT					pump cement slurry
08:36	26		1.2	3	WATER					pump displacement
08:40										shut down
										wait 2 hrs
10:50										start 2nd job
10:51	98		1.3	3	CEMENT					pump cement slurry
10:57	90		1.3	10	CEMENT					pump cemen slurry
11:00	90		1.3	15.5	CEMENT					pump cement slurry
11:01	87		1.3	1.5	WATER					pump displacement
11:05										end job
11:15										post job safety meeting
11:35										start to rig down
11:45										pre convoy safety meeting

CEMENT JOB REPORT



PRESSURE/RATE DETAIL					EXPLANATION		
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input type="checkbox"/>	
	PIPE	ANNULUS				TEST LINES 5100 PSI	
						CIRCULATING WELL - RIG <input checked="" type="checkbox"/> BJ <input type="checkbox"/>	
12:10						depart location	
BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	BBL.CMT RETURNS/ REVERSED	TOTAL BBL. PUMPED	PSI LEFT ON CSG	SPOT TOP OUT CEMENT	SERVICE SUPERVISOR SIGNATURE:
Y <input checked="" type="checkbox"/> N	0	Y <input checked="" type="checkbox"/> N	4	65	0	Y <input checked="" type="checkbox"/> N	



BJ Services Company



CUSTOMER (COMPANY NAME) Black Hills Gas Resources				CREDIT APPROVAL NO. A10011177391		PURCHASE ORDER NO.		CUSTOMER NUMBER 20095285 - 00234704		INVOICE NUMBER	
MAIL INVOICE TO 2388 Leland Ave.				CITY Grand Junction		STATE Colorado		ZIP CODE 81505			
DATE WORK COMPLETED	MO.	DAY	YEAR	BJ REPRESENTATIVE JOSE E CARCAMO		WELL API NO: 05077081550000		WELL TYPE : New Well			
BJ SERVICES DISTRICT Grand Junction				JOB DEPTH(ft) 345		WELL CLASS : Gas					
WELL NAME AND NUMBER HANCOCK GULCH #1				TD WELL DEPTH(ft) 345		GAS USED ON JOB : No Gas					
WELL LOCATION :		LEGAL DESCRIPTION 13-8S-99W		COUNTY/PARISH Mesa		STATE Colorado		JOB TYPE CODE : Squeeze-Hole			

PRODUCT CODE	DESCRIPTION	UNIT OF MEASURE	QUANTITY	LIST PRICE UNIT	GROSS AMOUNT	PERCENT DISC.	NET AMOUNT
100112	Calcium Chloride	lbs	300	1.440	432.00	45%	237.60
100404	Sodium Chloride	lbs	150	0.460	69.00	45%	37.95
499680	Static Free	lbs	7	35.800	250.60	45%	137.83
499703	Type III Cement	sacks	200	44.100	8,820.00	45%	4,851.00
SUB-TOTAL FOR Product Material					9,571.60	45%	5,264.38
A152	Personnel Surcharge - Cement Svc	ea	1	152.000	152.00	0%	152.00
M100	Bulk Materials Service Charge	cu ft	210	3.930	825.30	45%	453.92
M201	Blending Charge, Customer Materials, Min	job	1	321.000	321.00	45%	176.55
SUB-TOTAL FOR Service Charges					1,298.30	39.73%	782.47
F053A	Cement Pump Tubing, 0 - 1000 ft	4hrs	1	3,725.000	3,725.00	45%	2,048.75
J225	Data Acquisition, Cement, Standard	job	1	1,540.000	1,540.00	45%	847.00
J390	Mileage, Heavy Vehicle	miles	120	8.550	1,026.00	45%	564.30
J391	Mileage, Auto, Pick-Up or Treating Van	miles	120	4.830	579.60	45%	318.78
SUB-TOTAL FOR Equipment					6,870.60	45%	3,778.83

ARRIVE LOCATION :	MO.	DAY	YEAR	TIME	SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER.	SERVICE RECEIPT: I CERTIFY THAT THE MATERIALS AND SERVICES LISTED WERE RECEIVED AND ALL SERVICES PERFORMED IN A WORKMANLIKE MANNER.
CUSTOMER REP. Pat Clark	10	21	2009	06:40		<input checked="" type="checkbox"/> CUSTOMER AUTHORIZED AGENT
SEE LAST PAGE FOR GENERAL TERMS AND CONDITIONS						<input checked="" type="checkbox"/> BJ SERVICES APPROVED
CUSTOMER AUTHORIZED AGENT						



CUSTOMER (COMPANY NAME) Black Hills Gas Resources				CREDIT APPROVAL NO. A10011177391		PURCHASE ORDER NO.		CUSTOMER NUMBER 20095285 - 00234704		INVOICE NUMBER			
MAIL INVOICE TO				STREET OR BOX NUMBER 2388 Leland Ave.				CITY Grand Junction		STATE Colorado		ZIP CODE 81505	
DATE WORK COMPLETED		MO.	DAY	YEAR	BJ REPRESENTATIVE JOSE E CARCAMO		WELL API NO: 05077081550000		WELL TYPE : New Well				
BJ SERVICES DISTRICT Grand Junction					JOB DEPTH(ft) 345			WELL CLASS : Gas					
WELL NAME AND NUMBER HANCOCK GULCH #1					TD WELL DEPTH(ft) 345			GAS USED ON JOB : No Gas					
WELL LOCATION :		LEGAL DESCRIPTION 13-8S-99W			COUNTY/PARISH Mesa		STATE Colorado		JOB TYPE CODE : Squeeze-Hole				
PRODUCT CODE	DESCRIPTION				UNIT OF MEASURE	QUANTITY	LIST PRICE UNIT	GROSS AMOUNT	PERCENT DISC.	NET AMOUNT			
J401	Bulk Delivery, Dry Products				ton-mi	579	2.850	1,650.15	45%	907.58			
	SUB-TOTAL FOR Freight/Delivery Charges							1,650.15	45.00%	907.58			
	FIELD ESTIMATE							19,390.65	44.65%	10,733.26			
ARRIVE LOCATION :		MO.	DAY	YEAR	TIME	SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER.				SERVICE RECEIPT: I CERTIFY THAT THE MATERIALS AND SERVICES LISTED WERE RECEIVED AND ALL SERVICES PERFORMED IN A WORKMANLIKE MANNER.			
CUSTOMER REP. Pat Clark		10	21	2009	06:40	CUSTOMER AUTHORIZED AGENT				X			
SEE LAST PAGE FOR GENERAL TERMS AND CONDITIONS		CUSTOMER AUTHORIZED AGENT								X			

BJ Services
CONDITIONS OF CONTRACT
Effective 08/19/96

CUSTOMER AND BJ SERVICES AGREE THAT THE SERVICES DESCRIBED ON THE FACE OF THIS SERVICE ORDER AND FIELD RECEIPT ARE TO BE PERFORMED SUBJECT TO AND IN CONSIDERATION OF THE FOLLOWING TERMS AND CONDITIONS:

1. CUSTOMER. For the purpose of this contract, the term Customer shall include agents, subsidiaries, joint venturers and partners of customers.
2. WELL CONDITION. Customer warrants that the well described on the face of this service order and field receipt is in proper condition to receive the products, supplies, materials, and services described herein.
3. INDEPENDENT CONTRACTOR. BJ Services is and shall be an independent contractor with respect to the performance of this contract and neither BJ Services nor anyone employed by BJ Services shall be the agent, representative, employee or servant of Customer in the performance of this contract or any part hereof.
4. PRICE. Customer agrees to pay BJ Services for the products, supplies, materials, and services described herein in accordance with BJ Services' current price list. In the event that BJ Services has agreed to charge Customer other than as set forth in such price list, the charges agreed upon by Customer and BJ Services shall be those set forth on the face of this service order and field receipt and the agreement of Customer thereto shall be conclusively established by its execution of the receipt set forth on the face of this service order and field receipt.
5. TERMS. Cash in advance unless BJ Services has approved credit prior to the sale. Credit terms for approved accounts are total invoice amount due on or before the 30th day from the date of the invoice at the address set forth therein. Past due accounts shall pay interest on the balance due at the rate of 1 1/2% per month or the maximum allowable under applicable state law if such law limits interest to a lesser amount. In the event it is necessary to employ a third party to effect collection of said account, Customer agrees to pay all fees of such third party directly or indirectly incurred for such collection.
6. TAXES. Customer agrees to pay all taxes based on or measured by the charges set forth on the face of this service order and field receipt.
7. AMENDMENTS AND MODIFICATIONS. No field employee of BJ Services shall be empowered to alter the terms and conditions of this contract and BJ Services shall not be bound by any changes or modifications in this contract unless made in writing by a duly authorized executive officer of BJ Services. By requesting the goods and services set forth herein, Customer agrees to all the terms and conditions contained on both sides of this service order and field receipt, which constitutes the entire agreement between the parties, unless Customer and BJ Services have entered into a master service agreement or master work contract applicable to the services performed and products, supplies and materials furnished by BJ Services hereunder, in which event any term or provision of this service order and field receipt in conflict with the provisions thereof shall be deemed invalid to such extent. Subject only to the preceding sentence BJ Services hereby objects to any term of any purchase order, delivery ticket or receipt or other document that varies from or conflicts with the terms of this contract.
8. SEVERABILITY. It is understood and agreed by Customer and BJ Services that any term or provision of this contract prohibited by law shall be deemed invalid to the extent of such prohibition and shall be modified to the extent necessary to conform to such rule of law. Any term or provision of this contract not deemed invalid and modified pursuant to the preceding sentence shall remain in full force and effect without regard to such invalidity and modification.
9. LIMITED WARRANTY. BJ SERVICES WARRANTS ONLY TITLE TO PRODUCTS, SUPPLIES AND MATERIALS FURNISHED PURSUANT TO THIS CONTRACT AND THAT THE SAME WILL CONFORM TO THE DESCRIPTION SPECIFIED HEREIN AND ARE FREE FROM DEFECTS IN WORKMANSHIP AND MATERIALS. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. BJ SERVICES' LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDY IN ANY CAUSE OF ACTION (WHETHER IN CONTRACT, TORT, BREACH OR WARRANTY OR OTHERWISE) ARISING OUT OF THE SALE OR USE OF ANY PRODUCTS, SUPPLIES OR MATERIALS IS EXPRESSLY LIMITED TO THE REPLACEMENT OF SUCH PRODUCTS, SUPPLIES OR MATERIALS OR, AT BJ SERVICES' OPTION, TO THE ALLOWANCE TO THE CUSTOMER OF CREDIT FOR THE COST OF SUCH ITEMS. BJ SERVICES MAKES NO WARRANTIES FOR ANY EQUIPMENT, MATERIALS OR PRODUCTS MANUFACTURED BY THIRD PARTIES, BUT WILL PASS ON TO CUSTOMER ALL WARRANTIES OF THE MANUFACTURERS OF SUCH EQUIPMENT, MATERIALS OR PRODUCTS. BJ SERVICES IS UNABLE TO, AND DOES NOT, GUARANTEE THE ACCURACY OF ANY JOB RECOMMENDATION, RESEARCH ANALYSIS, DATA INTERPRETATION, OR OTHER INFORMATION FURNISHED TO CUSTOMER BY BJ SERVICES IN VIEW OF THE UNCERTAINTY OF WELL CONDITIONS AND THE RELIANCE BY BJ SERVICES AND CUSTOMER UPON INFORMATION AND SERVICES FURNISHED BY THIRD PARTIES. THEREFORE, NO WARRANTY EXPRESS OR IMPLIED IS GIVEN CONCERNING THE EFFECTIVENESS OF THE PRODUCTS, SUPPLIES OR MATERIALS USED, RECOMMENDATIONS GIVEN, OR SERVICES PERFORMED BY BJ SERVICES. CUSTOMER AGREES THAT BJ SERVICES SHALL NOT BE RESPONSIBLE FOR ANY DAMAGES ARISING FROM THE USE OF DATA FURNISHED BY BJ SERVICES. CUSTOMER ACCEPTS FULL RESPONSIBILITY FOR RETURNING THE WELL DESCRIBED ON THE FACE OF THIS SERVICE ORDER AND FIELD RECEIPT TO PRODUCTION. BJ SERVICES DOES NOT GUARANTEE THE EFFECTIVENESS OF THE PRODUCTS, SUPPLIES OR MATERIALS FURNISHED PURSUANT TO THIS CONTRACT NOR THE RESULTS OF ANY TREATMENT OR SERVICE IT PERFORMS HEREUNDER.
10. FORCE MAJEURE. Any delays or failure by BJ Services in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike or other labor trouble, accident, riot, acts of God, or any other cause beyond the reasonable control of BJ Services.
11. CHEMICAL DISPOSAL. Customer agrees that all chemicals used in performance of this contract which are not removed from the location of the well by BJ Services shall be disposed of by Customer in accordance with all applicable federal, state and local laws and regulations.

12. LIABILITY AND INDEMNITY OBLIGATIONS.

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(B) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS AND RELEASE BJ SERVICES, ITS PARENT, SUBSIDIARY AND AFFILIATED COMPANIES AND ITS AND THEIR OFFICERS, DIRECTORS AND EMPLOYEES ("BJ SERVICES GROUP") FROM AND AGAINST ALL CLAIMS ARISING IN FAVOR OF (I) CUSTOMER'S EMPLOYEES OR THE EMPLOYEES OF CUSTOMER'S OTHER CONTRACTORS OR THEIR SUBCONTRACTORS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO PROPERTY, OR (II) CUSTOMER ON ACCOUNT OF LOSS OR DAMAGE TO CUSTOMER'S PROPERTY, EXCEPT AS OTHERWISE PROVIDED BELOW, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(C) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE CLEANUP OR REMOVAL THEREOF ARISING OUT OF OR CONNECTED WITH THE PERFORMANCE BY BJ SERVICES OF SERVICES FOR THE CUSTOMER (AND NOT ASSUMED BY BJ SERVICES IN THE FOLLOWING SENTENCE) INCLUDING BUT NOT LIMITED TO CLAIMS THAT MAY RESULT FROM WELL FIRE, BLOWOUT, CRATERING, SEEPAGE OR ANY OTHER UNCONTROLLABLE FLOW OF OIL, GAS, WATER OR OTHER SUBSTANCES, INCLUDING CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP. BJ SERVICES SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS CUSTOMER GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE REMOVAL THEREOF, ORIGINATING ABOVE THE SURFACE OF THE EARTH FROM SPILLS, LEAKS OR DISCHARGES OF FUELS, LUBRICANTS, MOTOR OILS, PIPE DOPE, PAINT, SOLVENTS, SLUDGE OR GARBAGE IN THE POSSESSION AND CONTROL OF BJ SERVICES AND ASSOCIATED WITH CONTRACTORS' EQUIPMENT AND FACILITIES, EXCEPTING ANY POLLUTION IN RESERVE PITS FROM FLOWBACK INCIDENT TO B.J. SERVICES' OPERATIONS.

(D) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING IN FAVOR OF CUSTOMER OR ANY THIRD PARTY INCLUDING, BUT NOT LIMITED TO, ANY GOVERNMENTAL ENTITY OR PARTY FOR WHOM CUSTOMER IS ACTING (INCLUDING CUSTOMER'S CO-WORKING INTEREST OWNERS) FOR ALL DAMAGES OR LOSSES RESULTING FROM PRODUCTS, SERVICES OR EQUIPMENT PROVIDED BY BJ SERVICES ON ACCOUNT OF (I) LOSS OF THE HOLE, (II) DAMAGE OR INJURY TO ANY DOWNHOLE PROPERTY OR ANY PROPERTY RIGHT IN OR TO OIL, GAS OR OTHER SUBSTANCES OR WATER (III) LOSS OR DAMAGE TO, OR CONTAMINATION OF, ANY FORMATIONS, STRATA OR RESERVOIRS BENEATH THE EARTH'S SURFACE, (IV) SUBSURFACE TRESPASS OR (V) ANY OTHER SIMILAR LOSSES OR DAMAGES, AND WITHOUT REGARD TO THE NEGLIGENCE OF ANY PARTY OR PARTIES, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(E) CUSTOMER WILL ASSUME LIABILITY FOR BJ SERVICES' EQUIPMENT WHICH MAY BE LOST OR DAMAGED IN THE HOLE, REGARDLESS OF ANY NEGLIGENCE OF ANY PARTY, AND WILL AT ITS OWN EXPENSE AND RISK ATTEMPT TO RECOVER SUCH EQUIPMENT. THE VALUE OF ANY UNRECOVERABLE, LOST OR DAMAGED EQUIPMENT SHALL BE REIMBURSED BY CUSTOMER AT THE FAIR MARKET VALUE ON THE DATE OF LOSS OF SUCH EQUIPMENT, BUT IN NO EVENT AT A VALUE LESS THAN 50% OF THE THEN CURRENT REPLACEMENT COST.

(F) BJ SERVICES AND CUSTOMER AGREE TO SUPPORT THEIR INDEMNITY OBLIGATIONS HEREIN BY FURNISHING LIABILITY INSURANCE COVERAGE OR QUALIFIED SELF INSURANCE IN AN AMOUNT OF NO LESS THAN \$2,000,000. HOWEVER BJ SERVICES AND CUSTOMER AGREE AND INTEND THAT, TO THE FULLEST EXTENT ALLOWED FROM TIME TO TIME BY APPLICABLE LAW, THEIR RESPECTIVE INDEMNITIES UNDER THESE TERMS AND CONDITIONS ARE TO APPLY WITHOUT LIMIT, AND ARE NOT TO BE LIMITED TO THE AMOUNT OF INSURANCE EITHER OF THEM MAY FROM TIME TO TIME MAINTAIN OR AGREE TO MAINTAIN. IF IT SHOULD BE DETERMINED THAT THE INDEMNITY OBLIGATIONS ASSUMED HEREUNDER THAT ARE TO BE SUPPORTED EITHER BY INSURANCE OR SELF INSURANCE EXCEEDS THAT WHICH IS PERMITTED UNDER APPLICABLE LAW, THEN SUCH INDEMNITIES SHALL AUTOMATICALLY BE AMENDED TO CONFORM TO THE MONETARY LIMITS PERMITTED UNDER SUCH LAW.

13. CONFIDENTIAL INFORMATION. Customer and BJ Services will use their best efforts to maintain the confidentiality of all records and proprietary information obtained by either party in the performance of any services by BJ Services. Such information will not be disclosed by either party to its employees unless it is necessary in order to perform or evaluate such services, or to any third parties without the prior consent of the other party.

14. WAIVER. (A) Neither BJ Services nor Customer will be liable to the other for special, incidental, indirect or consequential damages resulting from or arising out of the products or equipment provided or the services performed by BJ Services hereunder, including but not limited to, loss of profit or revenue or business interruption losses, whether or not arising under an alleged breach of warranty or caused by the sole, joint and/or comparative negligence, strict liability or other fault of either party. (B) Customer represents that it is a business consumer purchasing products and services from BJ Services for commercial use, that it has experience in business matters that enable it to evaluate the merits and risks of the purchase of such products and services, and that it is not in a significantly disparate bargaining position. Customer waives the provisions of the Texas Deceptive Trade Practices Act (other than section 17), as from time to time amended.

15. GOVERNING LAW. This contract shall be governed by the law of the State of Texas.

CEMENT JOB REPORT

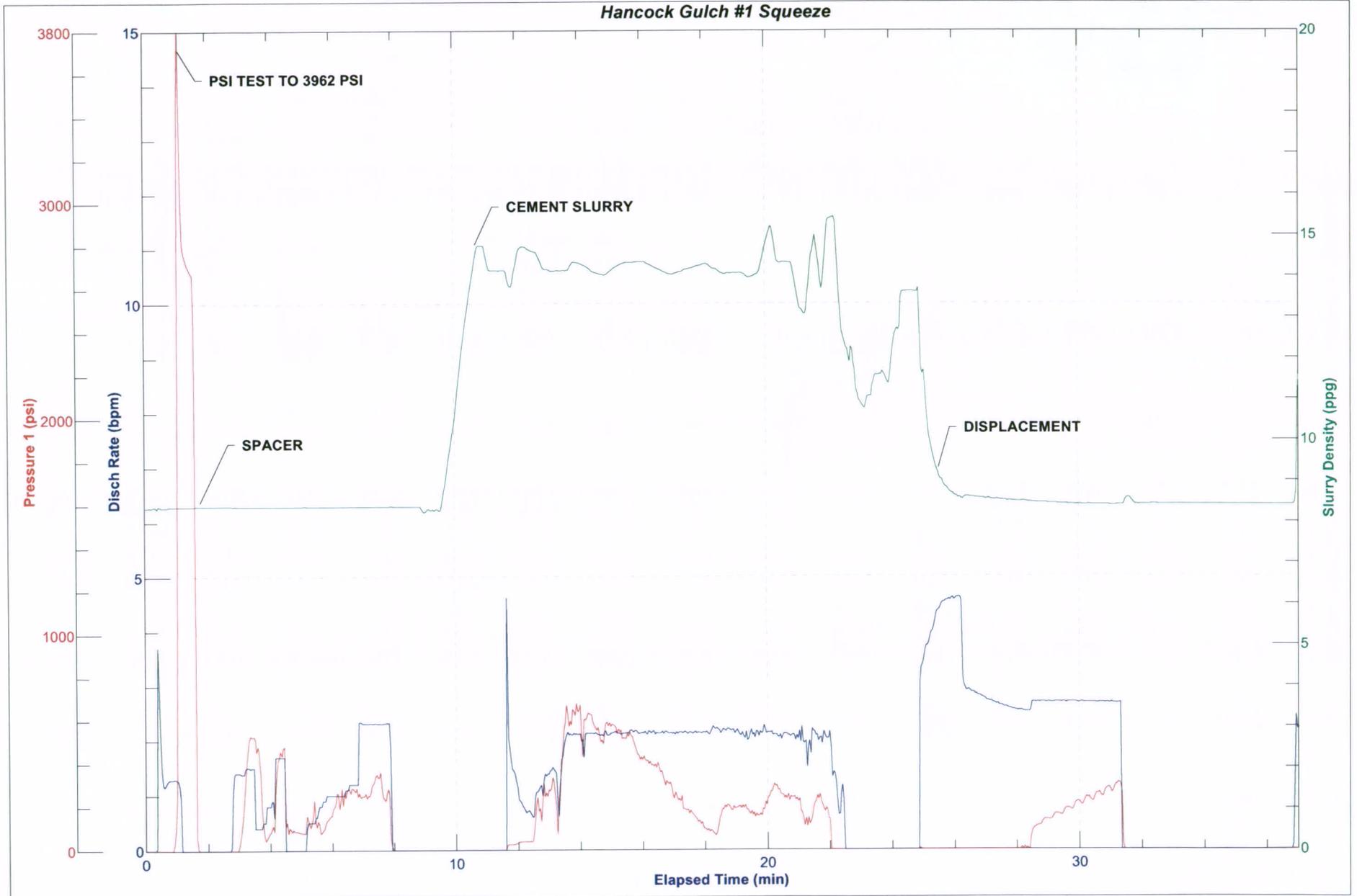


CUSTOMER Black Hills Gas Resources		DATE 22-SEP-09		F.R. # 1001500089		SERV. SUPV. TIMOTHY L HAFER						
LEASE & WELL NAME Hancock Gulch #1			LOCATION			COUNTY-PARISH-BLOCK Mesa Colorado						
DISTRICT Grand Junction			DRILLING CONTRACTOR RIG #			TYPE OF JOB Squeeze-Hole						
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE			PHYSICAL SLURRY PROPERTIES							
		NA-Squeeze			SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT³	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY	Bbl MIX WATER	
		NA-Squeeze										
MATERIALS FURNISHED BY BJ												
Type III					100	14.2	1.39	6.81		24.7	16.18	
Available Mix Water <u>80</u> Bbl.					Available Displ. Fluid <u>54</u> Bbl.		TOTAL			24.7	16.18	
HOLE			TBG-CSG-D.P.				COLLAR DEPTHS					
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE		
			7	26	CSG	5000						
LAST CASING			PKR-CMT RET-BR PL-LINER			PERF. DEPTH		TOP CONN		WELL FLUID		
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE		DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.
				cement packer		3012			2.375	PIPE	WATER BASED MU	9
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX WATER	
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator		
10.2	BCLS			0	0	2000	9840	7872	10680	8544	truck	

EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING:

PRESSURE/RATE DETAIL						EXPLANATION					
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input checked="" type="checkbox"/>					
	PIPE	ANNULUS				TEST LINES 3000 PSI					
						CIRCULATING WELL - RIG <input checked="" type="checkbox"/> BJ <input checked="" type="checkbox"/>					
06:10						ORE CONVOY MEETING					
06:25						LEFT YARD					
07:48						ARRIVE ON LOCATION					
08:00						PRE RIGUP MEETING					
08:15						RIG IRON					
09:53						PRE JOB SAFTEY MEETING					
09:59						PSI TEST TO 3962					
10:00	318	0	2.3	5	H2O	INJECTION TEST					
10:10	644	0	2.11	24.7	CMT	CEMENT SLURRY @14.2					
10:23	38	0	2.8	7	H2O	DISPLACEMENT					
10:28	245	0	2.6	3.2	H2O	DISPLACEMENT					
10:30						RIG PULL PIPE WAIT ON PAT TO MAKE A CALL					
						THANKS TIM AND BJ CREW.....					

BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	BBL.CMT RETURNS/ REVERSED	TOTAL BBL. PUMPED	PSI LEFT ON CSG	SPOT TOP OUT CEMENT	SERVICE SUPERVISOR SIGNATURE:
Y <input type="checkbox"/> N <input checked="" type="checkbox"/> 0		Y <input type="checkbox"/> N <input checked="" type="checkbox"/> 0		40	0	Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	



BJ Services Company



CUSTOMER (COMPANY NAME) Black Hills Gas Resources				CREDIT APPROVAL NO. A10011169239		PURCHASE ORDER NO.		CUSTOMER NUMBER 20095285 - 00234704		INVOICE NUMBER	
MAIL INVOICE TO :				STREET OR BOX NUMBER 2388 Leland Ave.		CITY Grand Junction		STATE Colorado		ZIP CODE 81505	
DATE WORK COMPLETED		MO.	DAY	YEAR	BJ REPRESENTATIVE	WELL API NO:		WELL TYPE :			
		09	22	2009	TIMOTHY L HAFER			Old Well			
BJ SERVICES DISTRICT Grand Junction					JOB DEPTH (ft) 3,012			WELL CLASS : Gas			
WELL NAME AND NUMBER Hancock Gulch #1					TD WELL DEPTH (ft) 5,000			GAS USED ON JOB : No Gas			
WELL LOCATION :		LEGAL DESCRIPTION			COUNTY/PARISH Mesa		STATE Colorado		JOB TYPE CODE : Squeeze-Hole		

PRODUCT CODE	DESCRIPTION	UNIT OF MEASURE	QUANTITY	LIST PRICE UNIT	GROSS AMOUNT	PERCENT DISC.	NET AMOUNT
488073	FL-62	lbs	38	19.300	733.40	40%	440.04
499703	Type III Cement	sacks	100	44.100	4,410.00	40%	2,646.00
	SUB-TOTAL FOR Product Material				5,143.40	40%	3,086.04
A152	Personnel Surcharge - Cement Svc	ea	1	152.000	152.00	0%	152.00
M100	Bulk Materials Service Charge	cu ft	101	3.930	396.93	40%	238.16
	SUB-TOTAL FOR Service Charges				548.93	28.92%	390.16
F053A	Cement Pump Tubing, 0 - 1000 ft	4hrs	1	3,725.000	3,725.00	40%	2,235.00
J225	Data Acquisition, Cement, Standard	job	1	1,540.000	1,540.00	40%	924.00
J390	Mileage, Heavy Vehicle	miles	49	8.550	418.95	40%	251.37
J391	Mileage, Auto, Pick-Up or Treating Van	miles	98	4.830	473.34	40%	284.00
K392	Squeeze Manifold, Ground	day	1	550.000	550.00	40%	330.00
	SUB-TOTAL FOR Equipment				6,707.29	40.00%	4,024.37

ARRIVE LOCATION :	MO.	DAY	YEAR	TIME	SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER.	SERVICE RECEIPT: I CERTIFY THAT THE MATERIALS AND SERVICES LISTED WERE RECEIVED AND ALL SERVICES PERFORMED IN A WORKMANLIKE MANNER.
	09	22	2009	07:45		CUSTOMER AUTHORIZED AGENT <input checked="" type="checkbox"/>
CUSTOMER REP. pat clark						BJ SERVICES APPROVED <input checked="" type="checkbox"/>
SEE LAST PAGE FOR GENERAL TERMS AND CONDITIONS					CUSTOMER AUTHORIZED AGENT	

BJ Services Company



CUSTOMER (COMPANY NAME) Black Hills Gas Resources				CREDIT APPROVAL NO. A10011169239		PURCHASE ORDER NO.		CUSTOMER NUMBER 20095285 - 00234704		INVOICE NUMBER	
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DATE WORK COMPLETED 09 22 2009		MO. DAY YEAR		BJ REPRESENTATIVE TIMOTHY L HAFER		WELL API NO:		WELL TYPE : Old Well			
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WELL LOCATION :		LEGAL DESCRIPTION		COUNTY/PARISH Mesa		STATE Colorado		JOB TYPE CODE : Squeeze-Hole			

PRODUCT CODE	DESCRIPTION	UNIT OF MEASURE	QUANTITY	LIST PRICE UNIT	GROSS AMOUNT	PERCENT DISC.	NET AMOUNT
J401	Bulk Delivery, Dry Products	ton-mi	231	2.850	658.35	40%	395.01
	SUB-TOTAL FOR Freight/Delivery Charges				658.35	40%	395.01
	FIELD ESTIMATE				13,057.97	39.53%	7,895.58

ARRIVE LOCATION :	MO. DAY YEAR TIME	09 22 2009 07:45	SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER.	SERVICE RECEIPT: I CERTIFY THAT THE MATERIALS AND SERVICES LISTED WERE RECEIVED AND ALL SERVICES PERFORMED IN A WORKMANLIKE MANNER.
CUSTOMER REP. pat clark			_____ CUSTOMER AUTHORIZED AGENT	<input checked="" type="checkbox"/> CUSTOMER AUTHORIZED AGENT <input checked="" type="checkbox"/> BJ SERVICES APPROVED
SEE LAST PAGE FOR GENERAL TERMS AND CONDITIONS				

BJ Services
CONDITIONS OF CONTRACT
Effective 08/19/96

CUSTOMER AND BJ SERVICES AGREE THAT THE SERVICES DESCRIBED ON THE FACE OF THIS SERVICE ORDER AND FIELD RECEIPT ARE TO BE PERFORMED SUBJECT TO AND IN CONSIDERATION OF THE FOLLOWING TERMS AND CONDITIONS:

1. CUSTOMER. For the purpose of this contract, the term Customer shall include agents, subsidiaries, joint venturers and partners of customers.
2. WELL CONDITION. Customer warrants that the well described on the face of this service order and field receipt is in proper condition to receive the products, supplies, materials, and services described herein.
3. INDEPENDENT CONTRACTOR. BJ Services is and shall be an independent contractor with respect to the performance of this contract and neither BJ Services nor anyone employed by BJ Services shall be the agent, representative, employee or servant of Customer in the performance of this contract or any part hereof.
4. PRICE. Customer agrees to pay BJ Services for the products, supplies, materials, and services described herein in accordance with BJ Services' current price list. In the event that BJ Services has agreed to charge Customer other than as set forth in such price list, the charges agreed upon by Customer and BJ Services shall be those set forth on the face of this service order and field receipt and the agreement of Customer thereto shall be conclusively established by its execution of the receipt set forth on the face of this service order and field receipt.
5. TERMS. Cash in advance unless BJ Services has approved credit prior to the sale. Credit terms for approved accounts are total invoice amount due on or before the 30th day from the date of the invoice at the address set forth therein. Past due accounts shall pay interest on the balance due at the rate of 1 1/2% per month or the maximum allowable under applicable state law if such law limits interest to a lesser amount. In the event it is necessary to employ a third party to effect collection of said account, Customer agrees to pay all fees of such third party directly or indirectly incurred for such collection.
6. TAXES. Customer agrees to pay all taxes based on or measured by the charges set forth on the face of this service order and field receipt.
7. AMENDMENTS AND MODIFICATIONS. No field employee of BJ Services shall be empowered to alter the terms and conditions of this contract and BJ Services shall not be bound by any changes or modifications in this contract unless made in writing by a duly authorized executive officer of BJ Services. By requesting the goods and services set forth herein, Customer agrees to all the terms and conditions contained on both sides of this service order and field receipt, which constitutes the entire agreement between the parties, unless Customer and BJ Services have entered into a master service agreement or master work contract applicable to the services performed and products, supplies and materials furnished by BJ Services hereunder, in which event any term or provision of this service order and field receipt in conflict with the provisions thereof shall be deemed invalid to such extent. Subject only to the preceding sentence BJ Services hereby objects to any term of any purchase order, delivery ticket or receipt or other document that varies from or conflicts with the terms of this contract.
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(B) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS AND RELEASE BJ SERVICES, ITS PARENT, SUBSIDIARY AND AFFILIATED COMPANIES AND ITS AND THEIR OFFICERS, DIRECTORS AND EMPLOYEES ("BJ SERVICES GROUP") FROM AND AGAINST ALL CLAIMS ARISING IN FAVOR OF (I) CUSTOMER'S EMPLOYEES OR THE EMPLOYEES OF CUSTOMER'S OTHER CONTRACTORS OR THEIR SUBCONTRACTORS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO PROPERTY, OR (II) CUSTOMER ON ACCOUNT OF LOSS OR DAMAGE TO CUSTOMER'S PROPERTY, EXCEPT AS OTHERWISE PROVIDED BELOW, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(C) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE CLEANUP OR REMOVAL THEREOF ARISING OUT OF OR CONNECTED WITH THE PERFORMANCE BY BJ SERVICES OF SERVICES FOR THE CUSTOMER (AND NOT ASSUMED BY BJ SERVICES IN THE FOLLOWING SENTENCE) INCLUDING BUT NOT LIMITED TO CLAIMS THAT MAY RESULT FROM WELL FIRE, BLOWOUT, CRATERING, SEEPAGE OR ANY OTHER UNCONTROLLABLE FLOW OF OIL, GAS, WATER OR OTHER SUBSTANCES, INCLUDING CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP. BJ SERVICES SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS CUSTOMER GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE REMOVAL THEREOF, ORIGINATING ABOVE THE SURFACE OF THE EARTH FROM SPILLS, LEAKS OR DISCHARGES OF FUELS, LUBRICANTS, MOTOR OILS, PIPE DOPE, PAINT, SOLVENTS, SLUDGE OR GARBAGE IN THE POSSESSION AND CONTROL OF BJ SERVICES AND ASSOCIATED WITH CONTRACTORS' EQUIPMENT AND FACILITIES, EXCEPTING ANY POLLUTION IN RESERVE PITS FROM FLOWBACK INCIDENT TO B.J. SERVICES' OPERATIONS.

(D) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING IN FAVOR OF CUSTOMER OR ANY THIRD PARTY INCLUDING, BUT NOT LIMITED TO, ANY GOVERNMENTAL ENTITY OR PARTY FOR WHOM CUSTOMER IS ACTING (INCLUDING CUSTOMER'S CO-WORKING INTEREST OWNERS) FOR ALL DAMAGES OR LOSSES RESULTING FROM PRODUCTS, SERVICES OR EQUIPMENT PROVIDED BY BJ SERVICES ON ACCOUNT OF (I) LOSS OF THE HOLE, (II) DAMAGE OR INJURY TO ANY DOWNHOLE PROPERTY OR ANY PROPERTY RIGHT IN OR TO OIL, GAS OR OTHER SUBSTANCES OR WATER (III) LOSS OR DAMAGE TO, OR CONTAMINATION OF, ANY FORMATIONS, STRATA OR RESERVOIRS BENEATH THE EARTH'S SURFACE, (IV) SUBSURFACE TRESPASS OR (V) ANY OTHER SIMILAR LOSSES OR DAMAGES, AND WITHOUT REGARD TO THE NEGLIGENCE OF ANY PARTY OR PARTIES, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(E) CUSTOMER WILL ASSUME LIABILITY FOR BJ SERVICES' EQUIPMENT WHICH MAY BE LOST OR DAMAGED IN THE HOLE, REGARDLESS OF ANY NEGLIGENCE OF ANY PARTY, AND WILL AT ITS OWN EXPENSE AND RISK ATTEMPT TO RECOVER SUCH EQUIPMENT. THE VALUE OF ANY UNRECOVERABLE, LOST OR DAMAGED EQUIPMENT SHALL BE REIMBURSED BY CUSTOMER AT THE FAIR MARKET VALUE ON THE DATE OF LOSS OF SUCH EQUIPMENT, BUT IN NO EVENT AT A VALUE LESS THAN 50% OF THE THEN CURRENT REPLACEMENT COST.

(F) BJ SERVICES AND CUSTOMER AGREE TO SUPPORT THEIR INDEMNITY OBLIGATIONS HEREIN BY FURNISHING LIABILITY INSURANCE COVERAGE OR QUALIFIED SELF INSURANCE IN AN AMOUNT OF NO LESS THAN \$2,000,000. HOWEVER BJ SERVICES AND CUSTOMER AGREE AND INTEND THAT, TO THE FULLEST EXTENT ALLOWED FROM TIME TO TIME BY APPLICABLE LAW, THEIR RESPECTIVE INDEMNITIES UNDER THESE TERMS AND CONDITIONS ARE TO APPLY WITHOUT LIMIT, AND ARE NOT TO BE LIMITED TO THE AMOUNT OF INSURANCE EITHER OF THEM MAY FROM TIME TO TIME MAINTAIN OR AGREE TO MAINTAIN. IF IT SHOULD BE DETERMINED THAT THE INDEMNITY OBLIGATIONS ASSUMED HEREUNDER THAT ARE TO BE SUPPORTED EITHER BY INSURANCE OR SELF INSURANCE EXCEEDS THAT WHICH IS PERMITTED UNDER APPLICABLE LAW, THEN SUCH INDEMNITIES SHALL AUTOMATICALLY BE AMENDED TO CONFORM TO THE MONETARY LIMITS PERMITTED UNDER SUCH LAW.

13. CONFIDENTIAL INFORMATION. Customer and BJ Services will use their best efforts to maintain the confidentiality of all records and proprietary information obtained by either party in the performance of any services by BJ Services. Such information will not be disclosed by either party to its employees unless it is necessary in order to perform or evaluate such services, or to any third parties without the prior consent of the other party.

14. WAIVER. (A) Neither BJ Services nor Customer will be liable to the other for special, incidental, indirect or consequential damages resulting from or arising out of the products or equipment provided or the services performed by BJ Services hereunder, including but not limited to, loss of profit or revenue or business interruption losses, whether or not arising under an alleged breach of warranty or caused by the sole, joint and/or comparative negligence, strict liability or other fault of either party.

(B) Customer represents that it is a business consumer purchasing products and services from BJ Services for commercial use, that it has experience in business matters that enable it to evaluate the merits and risks of the purchase of such products and services, and that it is not in a significantly disparate bargaining position. Customer waives the provisions of the Texas Deceptive Trade Practices Act (other than section 17), as from time to time amended.

15. GOVERNING LAW. This contract shall be governed by the law of the State of Texas.

Onyskiw, Denise

From: Onyskiw, Denise
Sent: Thursday, December 03, 2009 11:20 AM
To: 'Donahue, Jessica'
Subject: RE: Hancock Gulch

The only thing I will need from you yet is the completion reports (Forms 5 and 5a). I believe that the public comment period ends on December 19th.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Thursday, December 03, 2009 10:22 AM
To: Onyskiw, Denise
Subject: Hancock Gulch

Denise,

Now that our public announcement has gone in the paper, what else do we need to do? Do you have all the approvals you need from Kevin King and BLM? Do you need anything else from me?

Thanks,
Jessica

Regulatory Technician
Black Hills Exploration and Production
1515 Wynkoop St.
Suite 500
Denver, CO 80202
Office: (720) 210-1333
Cell: (303) 945-9703
Fax: (720) 210-1363

This electronic message transmission contains information from Black Hills Corporation, its affiliate or subsidiary, which may be confidential or privileged. The information is intended to be for the use of the individual or entity named above. If you are not the intended recipient, be aware the disclosure, copying, distribution or use of the contents of this information is prohibited. If you received this electronic transmission in error, please reply to sender immediately; then delete this message without copying it or further reading.

Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Thursday, December 03, 2009 10:22 AM
To: Onyskiw, Denise
Subject: Hancock Gulch

Denise,

Now that our public announcement has gone in the paper, what else do we need to do? Do you have all the approvals you need from Kevin King and BLM? Do you need anything else from me?

Thanks,
Jessica

Regulatory Technician
Black Hills Exploration and Production
1515 Wynkoop St.
Suite 500
Denver, CO 80202
Office: (720) 210-1333
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Onyskiw, Denise

From: Darralee [darralee@palisadetribune.com]
Sent: Thursday, November 12, 2009 1:10 PM
To: Onyskiw, Denise
Subject: Re: See if this will work. Thank you!

Will do!

On 11/12/09 1:03 PM, "Onyskiw, Denise" <Denise.Onyskiw@state.co.us> wrote:

> Yes, just once. The public has 30 days to respond to me.

>

> -----Original Message-----

> From: Darralee [mailto:darralee@palisadetribune.com]

> Sent: Thursday, November 12, 2009 12:01 PM

> To: Onyskiw, Denise

> Subject: Re: See if this will work. Thank you!

>

> Perfect! Thanks!

> To run the week of Nov. 19? Run it just once?

>

>

> On 11/12/09 11:55 AM, "Onyskiw, Denise" <Denise.Onyskiw@state.co.us>

> wrote:

>

>> OIL AND GAS CONSERVATION COMMISSION

>> OF THE STATE OF COLORADO

>>

>> NOTICE OF PROPOSED

>> UNDERGROUND INJECTION CONTROL PERMIT

>>

>>

>>

>> PURPOSE OF PUBLIC NOTICE:

>>

>> The purpose of this notice is to solicit public comments on a Class

>> II injection permit application for the proposed Hancock Gulch

> #1

>> Injection Well, which was submitted by Black Hills Plateau Production.

>> The Hancock Gulch #1 well is located 853 feet from the North line and

>> 859 feet from the West line of Section 13, Township 8 South, Range 99

>> West, 6th P.M., Mesa County, Colorado.

>>

>>

>> BACKGROUND:

>>

>> Class II injection wells are permitted and regulated in such a manner

>> as to prevent the contamination of underground sources of drinking

>> water and to ensure fluid emplacement and confinement within the

>> permitted injection zones. Class II injection wells are permitted to

>> dispose of water from oil and gas production.

>>

>> Black Hills Plateau Production proposes to inject fluids into the

>> Rollins Formation at depths ranging from 3052 to 3088 feet. The

>> total measured depth of the Hancock Gulch #1 well is 8320 feet and
>> the well is plugged back to a depth of 8280 feet.
>>
>> Public comments are encouraged and will be accepted in writing at the
>> Commission for a period of thirty (30) days after publication
> of
>> this notice. If any data, information, or arguments submitted during
>> the public comment period appear to raise substantial questions
>> concerning the proposed injection permit, the Director may request
> that
>> the Commission hold a hearing on the matter.
>>
>> Additional information on the operation of the proposed injection
>> well may be obtained at the Commission office.
>>
>>

>> IN THE NAME OF THE STATE OF COLORADO,
>>
>> OIL AND GAS CONSERVATION COMMISSION
>> OF THE STATE OF COLORADO
>>
>>

>> By
>> Denise M. Onyskiw, P.E.
>> Underground Injection Control Program Supervisor
>>

>> Dated at 1120 Lincoln St., Suite 801
>> Denver, Colorado 80203
>> November 10, 2009
>>

>> -----Original Message-----
>> From: Darralee [mailto:darralee@palisadetribune.com]
>> Sent: Thursday, November 12, 2009 11:27 AM
>> To: Onyskiw, Denise
>> Subject: Re: See if this will work. Thank you!

>> Can you paste it into the email? I can't open .docx. Sorry.
>>
>>

>> On 11/12/09 11:05 AM, "Onyskiw, Denise" <Denise.Onyskiw@state.co.us>
>> wrote:

>>> Here it is again.
>>>

>>> -----Original Message-----
>>> From: Darralee [mailto:darralee@palisadetribune.com]
>>> Sent: Thursday, November 12, 2009 11:05 AM
>>> To: Onyskiw, Denise
>>> Subject: See if this will work. Thank you!

>>> --
>>>

>>> Darralee Mathews
>>> Office Manager/Staff Writer

<

>>> darralee@palisadetribe.com
>>> 464-5614
>>>
>>> "We can do no great things, only small things with great love."
>>> Mother Theresa
>>>
>>>
>>>
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>> Darralee Mathews
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>> darralee@palisadetribe.com
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Darralee Mathews
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darralee@palisadetribe.com
464-5614

"We can do no great things, only small things with great love."
Mother Theresa

Onyskiw, Denise

From: Onyskiw, Denise
Sent: Thursday, November 12, 2009 1:04 PM
To: 'Darralee'
Subject: RE: See if this will work. Thank you!

Yes, just once. The public has 30 days to respond to me.

-----Original Message-----

From: Darralee [mailto:darralee@palisadetribune.com]
Sent: Thursday, November 12, 2009 12:01 PM
To: Onyskiw, Denise
Subject: Re: See if this will work. Thank you!

Perfect! Thanks!

To run the week of Nov. 19? Run it just once?

On 11/12/09 11:55 AM, "Onyskiw, Denise" <Denise.Onyskiw@state.co.us> wrote:

> OIL AND GAS CONSERVATION COMMISSION
> OF THE STATE OF COLORADO
>
> NOTICE OF PROPOSED
> UNDERGROUND INJECTION CONTROL PERMIT
>
>
>
> PURPOSE OF PUBLIC NOTICE:
>
> The purpose of this notice is to solicit public comments on a Class II
> injection permit application for the proposed Hancock Gulch #1
> Injection Well, which was submitted by Black Hills Plateau Production.
> The Hancock Gulch #1 well is located 853 feet from the North line and
> 859 feet from the West line of Section 13, Township 8 South, Range 99
> West, 6th P.M., Mesa County, Colorado.
>
>
> BACKGROUND:
>
> Class II injection wells are permitted and regulated in such a manner
> as to prevent the contamination of underground sources of drinking
> water and to ensure fluid emplacement and confinement within the
> permitted injection zones. Class II injection wells are permitted to
> dispose of water from oil and gas production.
>
> Black Hills Plateau Production proposes to inject fluids into the
> Rollins Formation at depths ranging from 3052 to 3088 feet. The total
> measured depth of the Hancock Gulch #1 well is 8320 feet and the well
> is plugged back to a depth of 8280 feet.
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> Public comments are encouraged and will be accepted in writing at the
> Commission for a period of thirty (30) days after publication of this
> notice. If any data, information, or arguments submitted during the
> public comment period appear to raise substantial questions concerning

> the proposed injection permit, the Director may request that the
> Commission hold a hearing on the matter.
>
> Additional information on the operation of the proposed injection well
> may be obtained at the Commission office.
>

> IN THE NAME OF THE STATE OF COLORADO,
>
> OIL AND GAS CONSERVATION COMMISSION
> OF THE STATE OF COLORADO
>

> By
> Denise M. Onyskiw, P.E.
> Underground Injection Control Program Supervisor
>

> Dated at 1120 Lincoln St., Suite 801
> Denver, Colorado 80203
> November 10, 2009
>

> -----Original Message-----

> From: Darralee [mailto:darralee@palisadetribune.com]
> Sent: Thursday, November 12, 2009 11:27 AM
> To: Onyskiw, Denise
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>> Sent: Thursday, November 12, 2009 11:05 AM
>> To: Onyskiw, Denise
>> Subject: See if this will work. Thank you!

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>>

>> Darralee Mathews
>> Office Manager/Staff Writer
>> darralee@palisadetribune.com
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Mother Theresa

Onyskiw, Denise

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> Underground Injection Control Program Supervisor
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> Denver, Colorado 80203
> November 10, 2009
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> Sent: Thursday, November 12, 2009 11:27 AM
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>> To: Onyskiw, Denise
>> Subject: See if this will work. Thank you!
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>> Darralee Mathews
>> Office Manager/Staff Writer
>> darralee@palisadetribe.com
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darralee@palisadetribune.com
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Mother Theresa

Onyskiw, Denise

From: Darralee [darralee@palisadetribe.com]
Sent: Thursday, November 12, 2009 11:27 AM
To: Onyskiw, Denise
Subject: Re: See if this will work. Thank you!

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> Here it is again.

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> From: Darralee [mailto:darralee@palisadetribe.com]

> Sent: Thursday, November 12, 2009 11:05 AM

> To: Onyskiw, Denise

> Subject: See if this will work. Thank you!

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> Darralee Mathews

> Office Manager/Staff Writer

> darralee@palisadetribe.com

> 464-5614

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Darralee Mathews

Office Manager/Staff Writer

darralee@palisadetribe.com

464-5614

"We can do no great things, only small things with great love."

Mother Theresa

Onyskiw, Denise

From: Onyskiw, Denise
Sent: Thursday, November 12, 2009 11:06 AM
To: 'Darralee'
Subject: RE: See if this will work. Thank you!
Attachments: Hancock Gulch #1_Pub_1.docx

Here it is again.

-----Original Message-----

From: Darralee [mailto:darralee@palisadetribune.com]
Sent: Thursday, November 12, 2009 11:05 AM
To: Onyskiw, Denise
Subject: See if this will work. Thank you!

--

Darralee Mathews
Office Manager/Staff Writer
darralee@palisadetribune.com
464-5614

"We can do no great things, only small things with great love."
Mother Theresa

Onyskiw, Denise

From: Onyskiw, Denise
Sent: Thursday, November 12, 2009 11:06 AM
To: 'Darralee'
Subject: RE: See if this will work. Thank you!
Attachments: Hancock Gulch #1_Pub_1.docx

Here it is again.

-----Original Message-----

From: Darralee [mailto:darralee@palisadetribune.com]
Sent: Thursday, November 12, 2009 11:05 AM
To: Onyskiw, Denise
Subject: See if this will work. Thank you!

--

Darralee Mathews
Office Manager/Staff Writer
darralee@palisadetribune.com
464-5614

"We can do no great things, only small things with great love."
Mother Theresa

Onyskiw, Denise

From: Darralee [darralee@palisadetribe.com]
Sent: Thursday, November 12, 2009 11:05 AM
To: Onyskiw, Denise
Subject: See if this will work. Thank you!

--

Darralee Mathews
Office Manager/Staff Writer
darralee@palisadetribe.com
464-5614

"We can do no great things, only small things with great love."
Mother Theresa

Onyskiw, Denise

From: Onyskiw, Denise
Sent: Thursday, November 12, 2009 11:02 AM
To: 'Donahue, Jessica'
Subject: RE: Hancock Gulch Surface owner letter

No. I had to resend it. When I called to check on it, they had not received the email. So, now I'm waiting to find out the publication date.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Thursday, November 12, 2009 10:58 AM
To: Onyskiw, Denise
Subject: RE: Hancock Gulch Surface owner letter

Thanks Denise!

Have you gotten confirmation of our public notice going in the Palisade paper? They don't publish their issues online.

Thanks,
Jessica

From: Onyskiw, Denise [mailto:Denise.Onyskiw@state.co.us]
Sent: Thursday, November 12, 2009 9:33 AM
To: Donahue, Jessica
Subject: RE: Hancock Gulch Surface owner letter

Jessica,
It looks good. The only thing I would change is to clarify that they have 15 days of notification by THIS letter. Otherwise, it seems confusing – they could interpret it that they have 15 days from Oct. 19 and that wouldn't make sense.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Thursday, November 12, 2009 9:31 AM
To: Onyskiw, Denise
Subject: Hancock Gulch Surface owner letter

Denise,

Would you mind looking over this letter before we send it to make sure the language is correct? Just want to make sure we get it right this time.

Thanks,
Jessica

From: Thornquist, David
Sent: Thursday, November 12, 2009 9:21 AM

To: Donahue, Jessica
Subject: Cox Letter

Here is the letter.

David C. Thorngquist

Black Hills Exploration & Production, Inc.
350 Indiana Street
Suite 300
Golden, CO 80401
303-566-3385 office
303-566-3369 direct

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Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Thursday, November 12, 2009 10:58 AM
To: Onyskiw, Denise
Subject: RE: Hancock Gulch Surface owner letter

Thanks Denise!

Have you gotten confirmation of our public notice going in the Palisade paper? They don't publish their issues online.

Thanks,
Jessica

From: Onyskiw, Denise [mailto:Denise.Onyskiw@state.co.us]
Sent: Thursday, November 12, 2009 9:33 AM
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It looks good. The only thing I would change is to clarify that they have 15 days of notification by THIS letter. Otherwise, it seems confusing – they could interpret it that they have 15 days from Oct. 19 and that wouldn't make sense.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Thursday, November 12, 2009 9:31 AM
To: Onyskiw, Denise
Subject: Hancock Gulch Surface owner letter

Denise,

Would you mind looking over this letter before we send it to make sure the language is correct? Just want to make sure we get it right this time.

Thanks,
Jessica

From: Thornquist, David
Sent: Thursday, November 12, 2009 9:21 AM
To: Donahue, Jessica
Subject: Cox Letter

Here is the letter.

David C. Thornquist

Black Hills Exploration & Production, Inc.
350 Indiana Street
Suite 300
Golden, CO 80401
303-566-3385 office
303-566-3369 direct

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Onyskiw, Denise

From: Onyskiw, Denise
Sent: Thursday, November 12, 2009 9:33 AM
To: 'Donahue, Jessica'
Subject: RE: Hancock Gulch Surface owner letter

Jessica,

It looks good. The only thing I would change is to clarify that they have 15 days of notification by THIS letter. Otherwise, it seems confusing – they could interpret it that they have 15 days from Oct. 19 and that wouldn't make sense.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Thursday, November 12, 2009 9:31 AM
To: Onyskiw, Denise
Subject: Hancock Gulch Surface owner letter

Denise,

Would you mind looking over this letter before we send it to make sure the language is correct? Just want to make sure we get it right this time.

Thanks,
Jessica

From: Thornquist, David
Sent: Thursday, November 12, 2009 9:21 AM
To: Donahue, Jessica
Subject: Cox Letter

Here is the letter.

David C. Thornquist

Black Hills Exploration & Production, Inc.
350 Indiana Street
Suite 300
Golden, CO 80401
303-566-3385 office
303-566-3369 direct

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Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Thursday, November 12, 2009 9:31 AM
To: Onyskiw, Denise
Subject: Hancock Gulch Surface owner letter
Attachments: Cox Notice Ltr. Hancock Gulch #1 water disposal well-second letter.doc

Denise,

Would you mind looking over this letter before we send it to make sure the language is correct? Just want to make sure we get it right this time.

Thanks,
Jessica

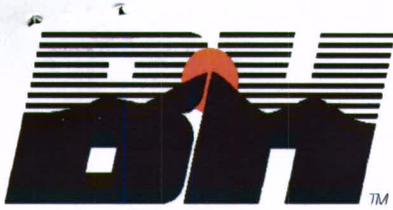
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Sent: Thursday, November 12, 2009 9:21 AM
To: Donahue, Jessica
Subject: Cox Letter

Here is the letter.

David C. Thornquist

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350 Indiana Street
Suite 300
Golden, CO 80401
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Black Hills Plateau Production, LLC

A Black Hills Corporation Enterprise

350 Indiana Street, Suite 400 Golden, CO 80401

David C. Thornquist
Landman

Bus: (303) 566-3369

Fax: (720) 210-1361

E-mail: david.thornquist@blackhillscorp.com

CERTIFIED MAIL

November 12, 2009

Julia and Thomas Cox
P.O. Box 441
Collbran, CO 81624

Re: Hancock Gulch #1
Sec. 13, T8S-R99W
Mesa County, CO

Dear Mr. and Mrs. Cox:

By Certified Letter dated October 19, 2009, Black Hills Plateau Production, LLC ("BHPP") notified you of its intent to convert the Hancock Gulch #1 Well located in Lot 3, Section 13, Township 8 South, Range 99 West, 6th P.M., Mesa County, Colorado. This follow up letter is to notify you that under the rules and regulations of the COGCC and more specifically with Rule 325 l, any person within one-quarter (1/4) mile of the proposed well shall have the right within fifteen (15) days of notification to file a written request for a public hearing before the commission.

Should you have any questions concerning this matter, please do not hesitate to contact me at 303-566-3369.

Very Truly Yours,

David C. Thornquist
Landman

< second page header >

Page 2 of 2

Onyskiw, Denise

From: Schaub, Michael
Sent: Thursday, November 12, 2009 9:14 AM
To: Onyskiw, Denise
Subject: RE: Hydrologic Information Request
Attachments: HancockGulch1.pdf

Denise:

Attached is our review for the Hancock Gulch No. 1 proposed injection well.

Michael

From: Onyskiw, Denise
Sent: Thursday, November 12, 2009 7:40 AM
To: Schaub, Michael
Subject: RE: Hydrologic Information Request

Sorry! Try this.

From: Schaub, Michael
Sent: Thursday, November 12, 2009 7:38 AM
To: Onyskiw, Denise
Subject: RE: Hydrologic Information Request

Denise:

Your attachment was just the public notice.

Michael

From: Onyskiw, Denise
Sent: Tuesday, November 10, 2009 1:39 PM
To: Schaub, Michael
Subject: Hydrologic Information Request

Michael,
Please send us the hydrologic information for the Hancock Gulch #1 well.
Thanks,

Denise M. Onyskiw, P.E.
Underground Injection Control Program Supervisor
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203
303-894-2100 ext. 5145
denise.onyskiw@state.co.us



Onyskiw, Denise

From: Onyskiw, Denise
Sent: Tuesday, November 10, 2009 3:22 PM
To: 'Donahue, Jessica'
Subject: RE: Hancock Gulch surface owner letter

No problem. I can use the logs we have on file. Not many wells have LAS files when they were drilled a while ago.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Tuesday, November 10, 2009 3:16 PM
To: Onyskiw, Denise
Subject: RE: Hancock Gulch surface owner letter

Denise,

My landman is out today but when he resurfaces I'll have him resend the letter with the correct language.

As for logs, I'm afraid we didn't receive any LAS files when we purchased the well. Sorry!

Thanks,
Jessica

From: Onyskiw, Denise [mailto:Denise.Onyskiw@state.co.us]
Sent: Tuesday, November 10, 2009 12:19 PM
To: Donahue, Jessica
Subject: RE: Hancock Gulch surface owner letter

Jessica,

In my phone message I mentioned the density logs. We do have them online so you don't need to do anything about them unless you have LAS files for them (the log is from 2001 so I wasn't sure if I'd be that lucky!). Give me a call if you do not understand what I said about the letter.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Tuesday, November 10, 2009 10:05 AM
To: Onyskiw, Denise
Subject: Hancock Gulch surface owner letter

Denise,

I've attached the letter we sent to the adjacent landowner.

Please let me know if you need anything else,

Thanks,
Jessica

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Sent: Tuesday, November 10, 2009 10:05 AM
To: Onyskiw, Denise
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Onyskiw, Denise

From: Onyskiw, Denise
Sent: Tuesday, November 10, 2009 1:01 PM
To: 'darralee@palisadetribune.com'
Subject: Hancock Gulch #1 Injection Well Notice
Attachments: Hancock Gulch #1_Pub_1.docx; image001.gif; image002.gif

Darralee,

Enclosed please find a "Public Notice of Proposed Underground Injection Control Permit" to be published in your Rifle newspaper (The Citizen Telegram) on your next publication date, one time only.

Please send a copy of proof of publication with our invoice as soon as possible after publication.

Denise M. Onyskiw, P.E.

Underground Injection Control Program Supervisor
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203
303-894-2100 ext. 5145
denise.onyskiw@state.co.us



OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

NOTICE OF PROPOSED
UNDERGROUND INJECTION CONTROL PERMIT

PURPOSE OF PUBLIC NOTICE:

The purpose of this notice is to solicit public comments on a Class II injection permit application for the proposed Hancock Gulch #1 Injection Well, which was submitted by Black Hills Plateau Production. The Hancock Gulch #1 well is located 853 feet from the North line and 859 feet from the West line of Section 13, Township 8 South, Range 99 West, 6th P.M., Mesa County, Colorado.

BACKGROUND:

Class II injection wells are permitted and regulated in such a manner as to prevent the contamination of underground sources of drinking water and to ensure fluid emplacement and confinement within the permitted injection zones. Class II injection wells are permitted to dispose of water from oil and gas production.

Black Hills Plateau Production proposes to inject fluids into the Rollins Formation at depths ranging from 3052 to 3088 feet. The total measured depth of the Hancock Gulch #1 well is 8320 feet and the well is plugged back to a depth of 8280 feet.

Public comments are encouraged and will be accepted in writing at the Commission for a period of thirty (30) days after publication of this notice. If any data, information, or arguments submitted during the public comment period appear to raise substantial questions concerning the proposed injection permit, the Director may request that the Commission hold a hearing on the matter.

Additional information on the operation of the proposed injection well may be obtained at the Commission office.

IN THE NAME OF THE STATE OF COLORADO,

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By _____
Denise M. Onyskiw, P.E.
Underground Injection Control Program Supervisor

Dated at 1120 Lincoln St., Suite 801
Denver, Colorado 80203
November 10, 2009

Onyskiw, Denise

From: Onyskiw, Denise
Sent: Tuesday, November 10, 2009 12:19 PM
To: 'Donahue, Jessica'
Subject: RE: Hancock Gulch surface owner letter

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Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Tuesday, November 10, 2009 10:05 AM
To: Onyskiw, Denise
Subject: Hancock Gulch surface owner letter

Denise,

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Please let me know if you need anything else,

Thanks,
Jessica

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Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Monday, November 09, 2009 4:36 PM
To: Onyskiw, Denise
Subject: RE: Hancock Gulch #1

Denise,

I didn't realize I needed to send a copy of the letter. I will get that to you tomorrow as well as the completions forms.

Thanks!
Jessica

From: Onyskiw, Denise [mailto:Denise.Onyskiw@state.co.us]
Sent: Monday, November 09, 2009 4:32 PM
To: Donahue, Jessica
Subject: RE: Hancock Gulch #1

Jessica,

It is getting published in the Palisade Tribune because that's a little closer to that section. I noticed that I don't have a copy of the letter you sent to Julia Cox. I did get the receipt copy you sent me but I need a copy of the letter. Have you sent us your completions yet? If not, send the Forms 5 and 5A to my attention so I can get them expedited.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Monday, November 09, 2009 4:28 PM
To: Onyskiw, Denise
Subject: Hancock Gulch #1

Hi Denise,

Just checking in, wanted to make sure you didn't need anything from us. Has the Sentinel put out the public notice? I didn't get a chance to look yet.

Thanks,
Jessica

Please note this new email address and update your records accordingly:
jessica.donahue@blackhillscorp.com

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Onyskiw, Denise

From: Onyskiw, Denise
Sent: Thursday, October 29, 2009 11:10 AM
To: 'Donahue, Jessica'
Subject: RE: Hancock Gulch #1 RA log

Jessica,

I need the LAS logs that give the densities to calculate the porosity. I also need the visual log so I can see the sand vs. shale layers. Kathleen can fill you in on additional logs we need. We'll actually take all the logs you have because we are the keepers of permanent well records.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Wednesday, October 28, 2009 11:32 PM
To: Onyskiw, Denise
Subject: Re: Hancock Gulch #1 RA log

The logging company is asking which file you would like? They have a file for each shot.

Thanks,

Jessica

From: Onyskiw, Denise <Denise.Onyskiw@state.co.us>
To: Donahue, Jessica
Sent: Wed Oct 28 10:56:09 2009
Subject: RE: Hancock Gulch #1 RA log

Jessica,

We also need the LAS files of well logs uploaded to our website. Kathleen Mills can help you with this if you have any questions. Her extension is 5143.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Wednesday, October 28, 2009 10:54 AM
To: Onyskiw, Denise
Subject: Hancock Gulch #1 RA log

Denise,

Here is the RA log run on the Hancock Gulch #1.

Let me know if you need anything else,

Thanks,
Jessica

Please note this new email address and update your records accordingly:
jessica.donahue@blackhillscorp.com

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Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Wednesday, October 28, 2009 10:54 AM
To: Onyskiw, Denise
Subject: Hancock Gulch #1 RA log
Attachments: HG #1 RA log.pdf

Denise,

Here is the RA log run on the Hancock Gulch #1.

Let me know if you need anything else,

Thanks,
Jessica

Please note this new email address and update your records accordingly:
jessica.donahue@blackhillscorp.com

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Onyskiw, Denise

From: Onyskiw, Denise
Sent: Tuesday, October 27, 2009 9:38 AM
To: 'Donahue, Jessica'
Subject: RE: Landowner notification

I emailed the public notice to the paper last Thursday. I'm not sure what day it will actually be published. I plan to follow up on it this week.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Tuesday, October 27, 2009 9:14 AM
To: Onyskiw, Denise
Subject: Landowner notification

Denise,

I've attached the return receipt from the letter to the landowner within ¼ mile of the Hancock Gulch #1 location.

When will the public notice go out? During a discussion this morning, someone recalled that Kevin King had mentioned putting out public notice back in April but I've never seen any confirmation of that.

Please let me know if you need anything else.

Thank you,
Jessica Donahue

Regulatory Technician
Black Hills Plateau Production, LLC
350 Indiana St.
Suite 400
Golden, CO 80401
Office: (720) 210-1333
Cell: (303) 945-9703
Fax: (720) 210-1363

Please note this new email address and update your records accordingly:
jessica.donahue@blackhillscorp.com

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Onyskiw, Denise

From: Onyskiw, Denise
Sent: Monday, October 26, 2009 11:36 AM
To: Donahue, Jessica
Subject: RE: Hancock Gulch #1

Thanks, Jessica. This looks like what we need. I'm out of the office today and will continue processing the application tomorrow when I get back.

Denise

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Fri 10/23/2009 3:10 PM
To: Onyskiw, Denise
Subject: Hancock Gulch #1

Denise,

I've attached the step-down test. Bob Hartman at BLM has a copy and has approved this test. Do you require anything else for this injection test?

Pat Clark mentioned that our timeline for this project has been extended for 9 months from an April date which would give us until January to complete processing this. Is that so?

On Monday, I will get you the proof of sending for the landowner letter.

I've also attached the current pad layout and the proposed layout.

Also, would you mind sending me a copy of the MIT form from today by Shawn?

If you need anything else, please let me know.

Thanks,
Jessica

Regulatory Technician
Black Hills Plateau Production, LLC
350 Indiana St.
Suite 400
Golden, CO 80401
Office: (720) 210-1333
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Onyskiw, Denise

From: Donahue, Jessica [Jessica.Donahue@blackhillscorp.com]
Sent: Friday, October 23, 2009 3:37 PM
To: Onyskiw, Denise
Subject: RE: Well HANCOCK GULCH 1

That sounds good. Please let me know if you need anything else.

Thanks,
Jessica

-----Original Message-----

From: Onyskiw, Denise [mailto:Denise.Onyskiw@state.co.us]
Sent: Friday, October 23, 2009 3:35 PM
To: Donahue, Jessica
Subject: RE: Well HANCOCK GULCH 1

Jessica,
I believe Dave Dillon is willing to let us use the April submittal date as a re-applied date so we have a little bit of time. I'll put the public notice together on Monday and get that published.

Denise

-----Original Message-----

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Friday, October 23, 2009 12:59 PM
To: Onyskiw, Denise
Subject: FW: Well HANCOCK GULCH 1

Denise,

I finally got the BLM sundry. I've attached the sundry and the water sample. I know we're cutting it close to the Nov. 26 deadline. Please let me know if you need anything else from me. My landman is out today.
On Monday I will get the confirmation of delivery of the letter to the nearby landowner notifying her of the well changes.

Thank you,

Jessica Donahue
Regulatory Technician
Black Hills Plateau Production, LLC
350 Indiana St.
Suite 400
Golden, CO 80401
Office: (720) 210-1333
Cell: (303) 945-9703
Fax: (720) 210-1363

-----Original Message-----

From: bob_hartman@blm.gov [mailto:bob_hartman@blm.gov]
Sent: Friday, October 23, 2009 12:17 PM

To: Donahue, Jessica
Subject: Well HANCOCK GULCH 1

The sundry for Conversion to Injection/Disposal you submitted has been approved by the BLM. Your original EC transmission was assigned ID 75643. Please be sure to open and save all attachments to this message, since they contain important information.

The request for conversion to injection is approved but prior to injecting any additional water please submit a complete list of the source wells with associated expected monthly volumes.

Depending on this submission a formal right of way will be required for water transportaion and injection. The right of way may involve yearly site fees and/or per barrel fees.

In additon an approved application from COGCC for water disposal will be required prior to injecting any water into this well.

Contact Bob Hartman for addtional questions.

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Onyskiw, Denise

From: Onyskiw, Denise
Sent: Friday, October 23, 2009 3:35 PM
To: 'Donahue, Jessica'
Subject: RE: Well HANCOCK GULCH 1

Jessica,
I believe Dave Dillon is willing to let us use the April submittal date as a re-applied date so we have a little bit of time. I'll put the public notice together on Monday and get that published.

Denise

-----Original Message-----

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Friday, October 23, 2009 12:59 PM
To: Onyskiw, Denise
Subject: FW: Well HANCOCK GULCH 1

Denise,

I finally got the BLM sundry. I've attached the sundry and the water sample. I know we're cutting it close to the Nov. 26 deadline. Please let me know if you need anything else from me. My landman is out today. On Monday I will get the confirmation of delivery of the letter to the nearby landowner notifying her of the well changes.

Thank you,

Jessica Donahue
Regulatory Technician
Black Hills Plateau Production, LLC
350 Indiana St.
Suite 400
Golden, CO 80401
Office: (720) 210-1333
Cell: (303) 945-9703
Fax: (720) 210-1363

-----Original Message-----

From: bob_hartman@blm.gov [mailto:bob_hartman@blm.gov]
Sent: Friday, October 23, 2009 12:17 PM
To: Donahue, Jessica
Subject: Well HANCOCK GULCH 1

The sundry for Conversion to Injection/Disposal you submitted has been approved by the BLM. Your original EC transmission was assigned ID 75643. Please be sure to open and save all attachments to this message, since they contain important information.

The request for conversion to injection is approved but prior to injecting any additional water please submit a complete list of the source wells with associated expected monthly volumes.

Depending on this submission a formal right of way will be required for water transportaion and injection. The right of way may involve yearly site fees and/or per barrel fees.

In additon an approved application from COGCC for water disposal will be required prior to injecting any water into this well.

Contact Bob Hartman for additional questions.

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Onyskiw, Denise

From: Andrews, David
Sent: Thursday, October 08, 2009 5:26 PM
To: 'Weitzel, Bob'
Cc: Onyskiw, Denise
Subject: FW: Hancock Gulch #1
Attachments: Fed 35-2 (CRCN) 040708.xls

Bob,

All UIC-related questions should be directed to our new UIC engineer in Denver (Denise Onyskiw). I am copying her on this email.

Thanks,

David D. Andrews, P.E., P.G.
Engineering Supervisor - Western Colorado

State of Colorado
Oil and Gas Conservation Commission
707 Wapiti Court, Suite 204
Rifle, Colorado 81650
Office Phone: (970) 625-2497 Ext. 1
Cell Phone: (970) 456-5262
Fax: (970) 625-5682
E-mail: David.Andrews@state.co.us
Website: <http://www.colorado.gov/cogcc>

From: Weitzel, Bob [<mailto:Bob.Weitzel@blackhillscorp.com>]
Sent: Wednesday, October 07, 2009 4:16 PM
To: Andrews, David
Subject: Hancock Gulch #1

Dave,

A couple of quick questions:

What components are required for the water analysis from the Rollins formation that is needed for the injection permit? Is a BJ Services water analysis report sufficient? I have attached an example for your review.

Also, Jessica Donahue had a question for Bill Yokley but he referred us to you. If I understand this correctly, a water analysis of the proposed injection formation that shows the TDS to be >10,000 m/l will exempt the aquifer. Are there any rules that regulate what the quality of the water has to be that will be disposed of into the aquifer? For example: Is there a limit on TDS's or specific components? We have not been able to find a ruling referencing this.

Thanks for your help.
Bob Weitzel
BHE&P
720-210-1349

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BJ SERVICES

Grand Junction District Laboratory

Water Analysis Report

Project # 0

Customer/Well Information

Company: Black Hills	Date: 04/07/2008
Well Name:	Prepared for: 0
Location: 00-000-00000	Submitted by: 0
State: County, Colorado	Prepared by: Tina Reese
Formation: 0	Water Type: Flow Back
Depth: ft	

Background Information

Reason for Testing: _____

Completion type: _____

Well History: _____

Comments: Resistivity 0.28 Ohms @ 72 F, 1.5 pptg Carbohydrates

Sample Characteristics

Sample Temp: 72 (°F)	Viscosity: N/D
pH: 7.22	Color: Light Orange
Specific Gravity: 1.019	Odor: N/D
S.G. (Corrected): 1.021 @ 60 °F	Turbidity: N/D
Resistivity (Meas.): 0.30 Ω-m	Filtrates: N/D

Sample Composition

CATIONS	mg/l	me/l	ppm
Sodium (calc.)	9307	404.8	9134
Calcium	249	12.4	244
Magnesium	58	4.8	57
Barium	0	0.0	0
Potassium	0	0.0	0
Iron	3.40	0.1	3.34

ANIONS	mg/l	me/l	ppm
Chloride	14160	399.4	13896
Sulfate	400	8.3	393
Hydroxide	0	0.0	0
Carbonate	< 1	----	----
Bicarbonate	976	16.0	958

SUMMARY	mg/l	me/l	ppm
Total Dissolved Solids(calc.)	25154		24685
Total Hardness as CaCO3	861	17.2	845

Scaling Tendencies

CaCO3 Factor	242653.1	Calcium Carbonate Scale Probability --> REMOTE
CaSO4 Factor	99448	Calcium Sulfate Scale Probability -----> REMOTE



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EXHIBIT 1
ANALYSIS OF INJECTED ZONES' WATER

The analysis from the Rollins is from the subject well. The analysis for the Cozzette & Corcoran are representative samples gathered from a nearby well as a sample cannot be obtained for these formations on an individual basis)

EXHIBIT 2
ANALYSIS OF INJECTION WATER FROM:

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COGCC

- **PLATEAU FIELD**
- **SHIRE GULCH FIELD**
(INCLUDES WELLS WITHIN HORSESHOE CANYON UNIT)
- **ROBERTS CANYON FIELD**
(INCLUDES WELLS WITHIN HORSESHOE CANYON UNIT)
- **BRONCO FLATS FIELD**
(INCLUDES WINTER FLATS UNIT)

PLATEAU 12-02
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HALLIBURTON

Halliburton Energy Services
 The Rockies NWA District Laboratory
 Grand Junction, CO 970) 523-3692

Water Analysis Report

Contact Information

Company	<u>Black Hills</u>	Date Received	<u>October 16, 2006</u>
Reported To	<u>Stan Lindholm</u>	Date Tested	<u>October 17, 2006</u>
Reported By	<u>Nathan Barnum</u>	Tested By	<u>Deba Shafiee</u>

Sample 1 Physical Characteristics

Well Name	<u>Nystrom</u>	Temperature	<u>70</u> °F
Location	<u>2-18 Corcoran</u>	pH	<u>7.6</u>
Specific Gravity	<u>1.0195</u>	Color	<u>Yellow</u>
Corrected SG	<u>1.022</u> at 60°F	Turbidity	<u>cloudy</u>
TDS (calculated)	<u>40324</u> ppm	Resistivity	<u>0.285</u> Ω·m

Sample 1 Chemical Characteristics

Anions	Chloride	<u>24000</u> mg/L	Cations	Total Iron	<u>23.5</u> mg/L
	Sulfate	<u>0</u> mg/L		Ferrous Iron	<u>0.7</u> mg/L
	Bicarbonate	<u>968</u> mg/L		Potassium	<u>1386</u> mg/L
	Carbonate	<u>0</u> mg/L		Calcium	<u>675</u> mg/L
	Hydroxide	<u>0</u> mg/L		Magnesium	<u>280</u> mg/L
			Sodium (calculated)	<u>13777</u> mg/L	

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PLATEAU (RLNS & DKTA)

HALLIBURTON

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Grand Junction, CO 970) 523-3692

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Water Analysis Report

Contact Information

Company	Black Hills Plateau Product	Date Received	September 25, 2007
Reported To	Stan Lindholm	Date Tested	September 25, 2007
Reported By	Ann Ekk	Tested By	Ann Ekk

Sample 1 Physical Characteristics

Well Name	Tupper	Temperature	71 °F
Location	13-13 <i>RLNS</i>	pH	6.63
Specific Gravity	1.024	Color	Yellow
Corrected SG	1.026 at 60°F	Turbidity	Cloudy
TDS (calculated)	55785 ppm	Resistivity	0.31 Ω·m

Sample 1 Chemical Characteristics

Anions	Chloride	36000	mg/L	Cations	Total Iron	0.5	mg/L
	Sulfate	0	mg/L		Ferrous Iron	0.2	mg/L
	Bicarbonate	388	mg/L		Potassium	0	mg/L
	Carbonate	0	mg/L		Calcium	12880	mg/L
	Hydroxide		mg/L		Magnesium	960	mg/L
					Sodium (calculated)	6895	mg/L

13-13 attached to

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Water Analysis Report (cont.)

Sample 2 Physical Characteristics

Well Name	Wolverton <i>DKTA</i>	Temperature	70 °F
Location	13-Jan	pH	7.9
Specific Gravity	1.165	Color	Orange
Corrected SG	1.167 at 60°F	Turbidity	Cloudy
TDS (calculated)	28268 ppm	Resistivity	0.25 Ω·m

Sample 2 Chemical Characteristics

Anions	Chloride	17600	mg/L	Cations	Total Iron	0.0	mg/L
	Sulfate	0	mg/L		Ferrous Iron	0.0	mg/L
	Bicarbonate	324	mg/L		Potassium	106	mg/L
	Carbonate	368	mg/L		Calcium	632	mg/L
	Hydroxide		mg/L		Magnesium	160	mg/L
					Sodium (calculated)	10724	mg/L

General Comments

These samples were filtered with 40 micron paper.

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 The Rockies NWA Regional Laboratory
 Grand Junction, CO 970) 523-3692

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Water Analysis Report

Contact Information

Company	<u>Black Hills</u>	Date Received	<u>March 22, 2007</u>
Reported To	<u>HSC 3-20 DKTA</u>	Date Tested	<u>March 22, 2007</u>
Reported By	<u>Deba Shafiee</u>	Tested By	<u>Deba Shafiee</u>

Sample Physical Characteristics

Well Name	<u>HSC 3-20</u>	Temperature	<u>68</u> °F
Location	<u></u>	pH	<u>6.7</u>
Specific Gravity	<u>1.02</u>	Color	<u>slight brown</u>
Corrected SG	<u>1.022</u> at 60°F	Turbidity	<u>slight</u>
TDS (calculated)	<u>27724</u> ppm	Resistivity	<u>0.325</u> Ω·m

Sample Chemical Characteristics

Anions	Chloride	<u>14000</u>	mg/L	Cations	Total Iron	<u>10.9</u>	mg/L
	Sulfate	<u>300</u>	mg/L		Ferrous Iron	<u>1.2</u>	mg/L
	Bicarbonate	<u>600</u>	mg/L		Potassium	<u>11000</u>	mg/L
	Carbonate	<u>0</u>	mg/L		Calcium	<u>700</u>	mg/L
	Hydroxide	<u>0</u>	mg/L		Magnesium	<u>550</u>	mg/L
				Sodium (calculated)	<u>1117</u>	mg/L	

General Comments

Sample was filtered with 8mm filter prior to testing.

DEBE BLUE - CROWN

Schlumberger Dowell

Dowell
8915 East 104th Avenue
Henderson, Colorado 80640
(303) 289-8350 (office)

3/6/96

LABORATORY REPORT

TO: BERNIE PAOLI, WST SALES
FROM: JACKIE VERSCHUUR, CCO LABORATORY

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cc: Bill Redman, FSM Frac/Stimulation
John Grubich, CCO DIST. Mgr
Dan McKenzie, CCO Sales

(Water Sample, + Plunger)

Prepared for: SPC
Well: ED Koch #7-9
Location: Mesa County, Colorado
Formation: Corcoran

The Dowell Commerce City laboratory received a water sample and a plunger tool that was coated with fines in the laboratory. The lab was asked to do an API water analyses and to determine if the water has a tendency to scale calcium carbonate/calcium sulfate and to determine the nature of the fines.

The fines were removed from the plunger and viewed under a power microscope and tested with dilute hydrochloric acid. There was a slight effervescence noted when exposed to the acid but the majority of the sample appears to be coal fines. The minimum sample size did not warrant enough material to perform an x-ray analysis. The observations made under the microscope suggest the material is high in sulfur by the odor emitted when tested to the acid. There appears to be some micaceous material, some white material somewhat resembling a form of calcium sulfate or other evaporite along with material that resembles coal or other forms of organic matter. The sample does not possess asphaltenes or other paraffinic material.

Sometimes it is expressed that a water is not stable. This means that certain ions are present in excess of their solubility, especially under changed conditions, and a deposit will form. The two common deposits are calcium carbonate and calcium sulfate. From the water analyses calculations can be made for these tendencies

DISSOLVED SOLIDS

CATIONS

	mg/L	meq/L	Other properties
Sodium, Na (calculated)	10,945	482	pH 7.37
Calcium, Ca	666	33	Specific Gravity 1.012
Magnesium, Mg	0	0	

ANIONS

Chloride, Cl	18,020	505
Sulfate, SO4	5	0.1
Carbonate, CO3	0	0
Bicarbonate, HCO3	610	10

TOTAL DISSOLVED SOLIDS (calc)

30,246

Iron, Fe (total) 30 mg/L

LABORATORY REPORT (cont'd)

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"The Stiff-Davis" equation indicates that this water has a Stability Index of +0.84. A positive index indicates a tendency toward calcium carbonate deposition. The calculated solubility of calcium sulfate in this water is 40.3 Meq/L. Analysis indicates the water contains 33.0 Meq/L, therefore calcium sulfate deposition is not indicated.

The material coating the plunger was more formation mineralogy than scale or paraffin accumulation that had a low solubility when tested to dilute hydrochloric acid, < 25%.

*Benic Pools - Told her 125°F - more scale @
higher temp*

WINTER FLATS

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HALLIBURTON

Halliburton Energy Services
The Rockies NWA Regional Laboratory
Grand Junction, CO 970) 523-3692

Water Analysis Report

Contact Information

Company	Black Hills	Date Received	October 12, 2007
Reported To	Robert Shea	Date Tested	October 13, 2007
Reported By	C. Gauthier	Tested By	C. Gauthier

Sample Physical Characteristics

Well Name	Winter Flats 1-13-100 <i>CMTN</i>	Temperature	72 °F
Location	B.U. #3	pH	7
Specific Gravity	1.019	Color	Amber
Corrected SG	1.021 at 60°F	Turbidity	Moderate
TDS (calculated)	25522 ppm	Resistivity	0.26 Ω·m

Sample Chemical Characteristics

Anions	Chloride	16900	mg/L	Cations	Total Iron	9.7	mg/L
	Sulfate	0	mg/L		Ferrous Iron	0.0	mg/L
	Bicarbonate	1000	mg/L		Potassium	108	mg/L
	Carbonate	0	mg/L		Calcium	2020	mg/L
	Hydroxide	0	mg/L		Magnesium	3340	mg/L
					Sodium (calculated)	2629	mg/L

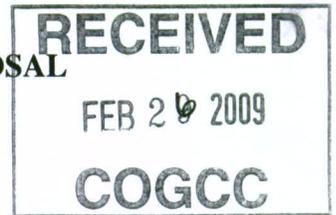
General Comments

Scott analyzed the condensate: Specific gravity of the raw sample was 0.880. The seperated samples averaged 0.830.

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APPLICATION TO PERMIT FOR SALT WATER DISPOSAL

**Hancock Gulch #1
Section 13, T8S-R99W
Mesa County, Colorado**



INJECTION PROGRAM

Black Hills Plateau Production, LLC (BHPP) requests approval to dispose of produced water into the captioned well. The produced water to be disposed into this well will be from BHPP and Black Hills Exploration & Production, Inc. (BHEP) operated wells only. The planned disposal zones are the Rollins Sandstone from a gross interval of 3,052' to 3,088'. The produced water will be from the Plateau Field, Shire Gulch Field, Roberts Canyon Field, South Shale Ridge Field, Hancock Gulch Field and the Bronco Flats Field.

The Rollins sandstone is a member of the subsurface Illes Formation, which is also known as the Mount Garfield Formation of the Book Cliffs north of Grand Junction, Colorado. The sandstone in the vicinity of the proposed Hancock Gulch #1 disposal well is a marine shoreline and nearshore sandstone deposits. The sandstone is characterized by laterally continuous shoreline parasequence sets that consist of individual northeast trending shoreline sandstones that deposited progradationally southeastward into the Western Interior seaway. Time equivalent seaward deposits are Cretaceous Mancos shale formation, which also underlie the Illes Formation for another 3000-3500 feet in this part of the Piceance basin. The Rollins sandstone is underlain by a "tongue" of the Mancos shale and silt. The sandstone has a low porosity (8-14%) and relatively tight permeability (0.05 – 1.0 md). Net porous sand (> 8% porosity) thickness ranges for the Rollins is 85–100 ft.

All water to be disposed into the Hancock Gulch #1 will be off lease water and trucked to storage tanks on location. The produced water will be off loaded into one or more 300 bbl settling tanks, which will transfer at a given fluid height thru 20 micron filters into an injection tank. When the fluid level in the injection tank reaches a certain level, a centrifugal charge pump and triplex will begin to inject into the well via steel injection lines.

This location will have 3-phase electrical power in service for this operation. This will allow complete control of the injection process (pressures, injection rates, volumes and an alarm system). This will provide an aesthetically pleasing well site with no emission potential and an automatic alarm system in the event of tank upsets or losses of pressure (leaks) in the system. Although this disposal well will be monitored by an alarm system, the well site will be inspected daily by BHPP / BHEP personnel. In addition to these measures, all access to tanks for offloading water will be locked to insure that only produced water from BHPP/BHEP leases is disposed of.



Black Hills Plateau Production, LLC
A Black Hills Corporation Enterprise



BLACK HILLS PLATEAU PRODUCTION LLC

Hancock Gulch #1

NWNW13 8S 99W

API # 05-077-08155 (Unit# C-12747)

Mesa County, Colorado

Spud 11/27/78 TD 1/5/79 Completion 3/30/79

GL: 5790' RKB: 5800' PBTB: 8280' TD: 8320'

Surface casing: 10-3/4" 40.5# K ST&C @ 320' - 180sx Reg w/3% CaCl TOC @ surface

Production casing: 7" 23# & 26# N80 LT&C R-3 @ 3885' (could not circ csg any deeper) - 200sx Class G w/8% gel, 2% CaCl & 100sx Reg w/2% CaCl (had partial returns throughout cmt job)

Production liner: 4-1/2" 11.6# K55 LT&C @ 3703-8320' - 165sx 50/50 Poz w/.75% CFR-2 & 100sx Reg w/.75% CFR-2 (had good circ throughout cmt job)
(3/10/79) Sqz'd top liner w/ 100sx Reg w/3% Ca (displaced cmt @ 3575') - left 125' (25sx in 7" csg) TOC @?

Production tubing: (7/25/01) 120jts 2-3/8" tbg, 4-1/2" Model R pkr (set @ 3752'), 139jts 2-3/8" tbg, SN, NC - EOT @ 7968'

Perforations: **DAK (3/4/79)** 7843, 7845, 7855, 7858, 7871, 7882, 7902 (1spf, 7 holes)
Acid (3/7/79) 1000gal 7-1/2% MSR & 10 ball sealers - broke down w/ 3bpm @ 2750#, MaxR 3.5bpm MaxP 2750# (had some ball action) - ISI 1500#, 15 100#

CDMN (3/1/79) 7926, 7928, 7930, 7946, 7951, 7954, 7959 (1spf, 7 holes)
Acid (3/2/79) 1000gal 7-1/2% MSR & 10 ball sealers - start pumping 3bpm @ 2200#, MaxR 3.5bpm MaxP 2500# (no ball action) - ISI 1300#, 12 min on vac
Frac CDMN/DAK/MRSN (3/17/79) 500gal pad, 4000gal @ .25ppg 100M (10000#), 4000gal @ 3ppg 100M (15000#), 2000gal spacer, 3000gal @ 2ppg 20/40M (6000#), 4800gal @ 2.5ppg 20/40M (12000#) - blender transmission broke after displacing AR 9bpm @ AP 6000# (MaxP 69000# w/ flush) - ISIP 2700#, 9 min 2000# (stayed @ this weight 600scf/bbl CO2)
(3/19/79) 500gal 7-1/2% MSR acid drop to ball seals - 12500# 100M, 8200# 20/40M, 60T CO2, (1470BF 1.5-2ppg on 100M, 1-3ppg on 20/40M) - MaxR 12bpm AR 11bpm, MaxP 7100# AP 6500# - ISIP 2700#, 5 min 2300#

MRSN (2/16/79) 8031, 8085, 8116, 8121, 8140, 8142, 8155' (1spf, 8 holes)
Acid (2/19/79) 1000gal 7-1/2% MSA & 10 ball sealers - AP 2650#, MaxR 4bpm, AIR 2.5bpm (very little ball action) - ISI 1800#, 15 min 1350#
Frac (2/21/79) down csg & tbg w/ 36000# 100M, 40000# 20/40M (in formation before screening out) - MaxR 16bpm AIR 12bpm, MaxP 3600# AP 3400# - ISIP after screening out 3500#, 15 min 1850#

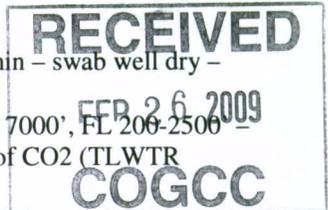
Packer: 4-1/2" Model R @ 3752' (7/25/01)

Rods: None

Production: Cum: 5.892 MMCF
IP: FI/ tested 3/30/79 3hr - 496mcf
FI/ tested 4/6/79 19hr 48/64" ck TP 25, CP 400 629mcf (heavy mist LW w/ trace of acid - did not go to sales until May 1982)

History:

- 2/16/79 swabbed perms - swabbed dry w/ good show of gas
- 2/18/79 2 swab runs - no recovery - 2nd trip dry - fl/ 96mcf - fl/ 4hrs then SI



- 2/19/79 after MRSN acidizing: open well to pit – bled to 0 in 15min – swab well dry – fl/ 96mcf
- 2/23/79 after MRSN frac: TLWTR 1427bbl – 23 trips, max depth 7000', FL 200-2500' – broken & gassy last several runs – rec 230blw w/ lg amt of CO₂ (TLWTR 1197bbl)
- 2/24/79 18 runs, max depth 8000', FL 2000-4000' – very gassy CO₂ – rec 150blw (TLWTR 1047bbl)
- 2/26/79 SICP 450#, 12 runs, max depth 8000', FL 3000-4000' – broken & gassy – rec 80blw (TLWTR 967bbl) – well trying to flow
- 2/27/79 SITP&CP 600# - 10 runs, max depth 8000', FL 4000-7000' – broken & gassy – well fl/ 20min after each run – rec 60blw (TLWTR 907bbl)
- 2/28/79 CP 250#, TP 250# - 15 runs, max depth 8100', FL 6900-7700' – broken w/ gas – rec 60blw (TLWTR 847bbl) – well flwd after each run 15min 86-20mcf – gas will burn – SDCP 150#
- 3/1/79 TP&CP 350# - 1 run – broken fld starting @ 7600' – fl/ well 1-1/2hr @ 161mcf – PERF CDMN
- 3/2/79 after CDMN acidizing: TLWTR 54bbl - 8 runs, FL 200-6000' – broken w/ gas rec 30blw (TLWTR 24bbl)
- 3/3/79 TP 1250# - 12 runs, max depth 7900', FL 5000-7900' – rec 20blw (TLWTR 4bbl) – after 4th run well started flwg – gauged well @ 65mcf – PERF DAK
- 3/6/79 after DAK perms: 12 runs, FL 1200-7800' – swabbed ry – good show of gas after 4th trip
- 3/7/79 after DAK acidizing: TLWTR 56bbl - 15 runs – FL 0-7000' – after 6th run had good fl/ of gas after each run – rec 40blw (TLWTR 16bbl)
- 3/8/79 FL 7500' – 18 runs form 8000' – rec 400' VGC water per trip – rec ~16blw – well giving up approx 1bwph/70mcf
- 3/10/79 RBP @ 7732' – pkr @ 3400 – sqz'd liner (see beginning of bio for detail)
- 3/19/79 after MRSN/CDMN/DAK frac: TLWTR 1482bbl – well unloading @ good rate after 21hrs flwg
- 3/20/79 fl/bk 24hrs – too much wtr & CO₂ to keep flare burning
- 3/21/79 well flwd overnite – gas w/ mist wtr
- 3/22/79 remove BOP & install tree – found SFL 1000' from srf – swab well to 3700' & hit obstruction TO w/ tbg
- 3/23/79 19 runs – max depth 6000', FL 2200' and very gassy – rec 160blw
- 3/24/79 SITP 675# SICP 375# - well fl/ 3hrs - 15 runs, max depth 7800', FL 1900-4000' – broken & very gassy – rec 100blw – CP 480#
- 3/25/79 TP 1000#, CP 850# - well fl/ 30min – died – 1 run – well fl/ 3hrs – died – 8 runs, max depth 7800', FL 6000' – broken & gassy
- 3/26/79 TP 1300#, CP 1000# - fl/ 30min – died – left well open
- 3/27/79 CP 500# - not flwg – 14 runs, well flwg after each run, max depth 7800', FL 6000-7500' – broken & gassy – CP 250# - rec ~25blw – left well flwg on 48/64" ck @ 400mcf
- 3/28/79 well dead – CP 500# - 12 runs, max depth 7800', FL 7000-7500' - broken & gassy – well fl/ after each run – CP 500-250# swabbibg – rec ~20blw
- 3/29/79 SITP 1050#, CP 850# - fl/ 4hrs- unld some wtr – CP dropped to 350# - RD PU
- 3/30/79 SITP 1050#, CP 925# - fl/ 3hrs – unld small amt wtr – gas vol @ 496mcf
- 10/10/83 SITP 1600#, SICP 1600#
- 7/17/01-7/27/01 TOH w/ prod strg – tested csg – small leak, holds pressure, no inj rate – 500psi to 150psi in 15min – tag fill @ 8143' – TIH W/ NC, SN, 139jts 2-3/8" tbg, 4-1/2" Model R Pkr, 120jts 2-3/8" tbg EOT@ 8092', pkr @ 3752' – made 2 swab runs – parted sandline leaving 1200' line in tbg – TOH w/ prod strg and sandline – TIH w/ tbg & pkr set as same – 2 runs, rec 20bw w/ gas – 4 runs, rec 50bw – well started blowing to tank for 1hr – blew rocks & mud – stopped blowing – tried to make swab run, couldn't get below 4000' – 6 runs, rec 50bw

- well blowing after 3 runs (no more mud/rocks) - little gas blow - SITP 465psi
 - blew tank dead - TOH w/ 120 jts, had to get new pkr - TIH w/ pkr & 120 jts
 EOT @ 7968', pkr @ 3752' - 3 runs, rec 50bw - SITP 60psi -



OBJECTIVE: Perform MIT and prepare well for SWD. Convert Rollins to SWD. Perform breakdown (ball-off) or Step Rate test. If Rollins is unsuccessful as SWD, possibly P&A well.

NOTIFY BLM & COGCC 48 HRS. PRIOR TO MOVING IN

1. Set and test deadman anchors as necessary. MIRU workover rig (Note: TP & CP). Blow down well. ND WH. NU BOP's.
2. RU for tbg. Release Pkr. Tally & TOH w/tbg.
3. If tubing shows to be in bad condition, TIH w/ 4 3/4" bit and 4 1/2" scraper to 8280' (PBTD). TOH.
4. RU WL truck. RIH and set 4 1/2" CIBP at +/-8,000. POH. RIH, dump bail 2sx sand on top of plug. RIH and set 4 1/2" CIBP at +/- 7800 (within 100' of top of DK perf at 7843' and below TOC @ 7650'). POH. RIH and dump bail 2 sx sand on top of plug. POH.
5. TIH w/ 4 1/2" pkr and tbg. Pressure test CIBP. Release pkr, pressure test csg to 400 psi. Chart test.
6. If well passes MIT, TOH or SOH and LD tubing when appropriate.
7. If MIT fails, isolate holes and determine the interval of leaks in both 4 1/2" and the 7". Contact BHEP office to discuss options. Contact BLM & COGCC before any formation is P&A'd.
8. If necessary, due to no leaks, perforate 4 squeeze holes in the 4 1/2" at 3950'.
9. RIH and set a 7" cement retainer 50' above top of 4 1/2" liner hanger @ +/-3650'.
10. TIH w/stinger and tbg. RU cementers. Sting in to retainer. Pump 45 sx Rockies LT below retainer. Sting out. Dump 5 sx Rockies LT cmt on top of retainer. Reverse circulate clean, if possible.
11. TOH w/ tbg & stinger. SOH & LD tbg, when appropriate.
12. RU WL truck. RIH w/ logging tools. Run GR - CCL - CBL from +/-3600' to surface. Contact BHEP office with log results to discuss options if cement bond is poor or TOC is not high enough.
13. RIH w/HSC casing gun and perforate **Rollins** at 3052-3062 (10'), 3064-3068 (4'), 3071-3074 (3'), 3076-3080 (4'), 3084-3088 (4') w/3 jspf, ?? gm charges, 120 deg phsg and .36" ehd. POH. Note surface reaction. Total 25' = 75 holes. RD WL.
14. TIH w/packer, SN and tbg. Set packer at +/-3000'. Swab/flow test Rollins. Record pressures, rates, volumes, etc. Contact BHEP office.

15. RU service company. Perform breakdown with 1500 gal of 15% HCL and approximately 120 ball sealers. Attempt to ball-off. Flush acid w/ 50 bbl of 2% KCL water. Note injection rates and pressures. RD service company.
16. Swab/flow back acid and load water to clean up well. TOH w/ tbg and pkr.
17. PU & SIH w/ 7" pkr shoe w/ baffle, short shoe joint, float collar, and 5" T5# J-55 casing. Set pkr @ +/-3,000'. Land casing in slips.
18. RU cementers. Establish circulation. Mix and pump 150 sx (30% excess) Rockies LT. Drop wiper plug and displace cmt to float collar. RD cementers. WOC.
19. TIH w/ bit & tbg. Drill out wiper plug, cement, and baffle. TOH.
20. NU new wellhead. RIH w/ 5" pkr & 2 3/8" tbg. Set pkr @ +/- 2,950.
21. Prep to perform injection test for appropriate agencies. If there is a delay, land tbg, RDMO.
22. After injection test and permit approval, TOH w/ tbg & pkr.
23. TIH w/ coated pkr and coated tbg. Circulate pkr fluid. Set pkr @ +/- 2950'. Land tbg in slips. NU wellhead. Perform and chart MIT (400 psi). RDMO.
24. Install surface facilities.

rjw 1-16-09

