

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER


FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. Lease: 14-20-151-49	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Southern Ute Indian Tribe	
2. Name of Operator Black Hills Exploration and Production		7. If Unit or CA Agreement, Name and No. NA	
3a. Address PO Box 249/3200 1st Street Bloomfield, NM 87413	3b. Phone No. (include area code) 505-634-1111 ext 27	8. Lease Name and Well No. Ute 33-44	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1,623' FSL 1,435' FEL (NW/SE) At proposed prod. zone 670' FSL 665' FEL (SE/SE)		9. API Well No.	
14. Distance in miles and direction from nearest town or post office* 6 air miles SW of Ignacio		10. Field and Pool, or Exploratory Ignacio-Blanco	11. Sec., T., R., M., or Blk. and Survey or Area Sec.33 T33N R8W
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 1100 feet	16. No. of Acres in lease Approx. 2640 ac	17. Spacing Unit dedicated to this well 80 acre	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 50 feet (Twin loc)	19. Proposed Depth 3968' feet bgs	20. BLM/BIA Bond No. on file BLM-NMB000230/BIA-190-010-577	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7258' GR	22. Approximate date work will start* 8/1/2007	23. Estimated duration 45-60 days drig & compl	

24. Attachments

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

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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Lynn H. Benally	Date 3/20/2007
Title Regulatory Specialist/Black Hills Exploration and Production		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)