## UNITED STATES FORM APPROVED Form 3160-5 OMB NO. 1004-0137 (April 2004) DEPARTMENT OF THE INTERIOR Expires March 31, 2007 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NMSF-081239 🦖 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side Do AN 1. Type of Well 8. Well Name and No. Oil Well X Gas Well Other LC KELLY #1F 2. Name of Operator XTO Energy Inc. 9. API Well No. 3b. Phone No. (include area code) 3a. Address 30-045-33463 2700 Farmington Ave., Bldg. K. Ste 1 Farmington 505-324-1090 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) BASIN DAKOTA 2340' FNL & 675' FWL SEC 5E-T30N-R12W 11. County or Parish, State SAN JUAN CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete Other EXCEPTION TO

Change Plans

Convert to Injection

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 final site is ready for final inspection.)

Plug and Abandon

Plug Back

KTO Energy Inc. requests exception to Rule 19.15.3.107 (J2) requiring all wells equipped with casing larger in size that 3-1/2" OD be tubed. KTO requests the LC Kelly #1F be produced without tubing due to high pressure in the well. By producing the well without tubing, we will incur no waste.

Contingent upon NIMOCO approval

Final Abandonment Notice

which would entitle the applicant to conduct operations thereon.



Temporarily Abandon

Water Disposal

TUBING

| 90-day tog exception exprises  | 7/23/07                                 |
|--|---|
| 14. I hereby certify that the loregoing is true and correct Name (Printed/Typed)   | Title                                   |
| LORRY D. BINGHAM   | REGULATORY COMPLIANCE TECH              |
| The Andan  | Date 4/23/07                            |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE   |   |
| Approved by Troy L Salvers   | Title Petroleum Engineer Date 412712007 |
| Conditions of approval, if any, are attached. Approval of this notice does not war certify that the applicant holds legal or equitable title to those rights in the subject. | ian oil Dince                           |

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.