

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

RECEIVED

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.

APR 12 2011

SUBMIT IN TRIPLICATE - Other instructions on page 2

Farmington Field Office
Bureau of Land Management

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other INJECTION		6. If Indian, Allottee or Tribe Name NMSF-077384
2. Name of Operator KTO Energy Inc.		7. If Unit or CA/Agreement, Name and/or No. KUTZ FEDERAL SWD # 1
3a. Address 382 CR 3100 Aztec, NM 87410	3b. Phone No. (include area code) 505-333-3176	9. API Well No. 30-045-34317
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2375' FNL & 1445' FWL SENW SEC. 6 (F) - T27N-R10W N.M.P.M.		10. Field and Pool, or Exploratory Area SWD MESAVERDE
		11. County or Parish, State SAN JUAN NM

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 checked="" type="checkbox"/> Other AMEND
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	RE-PERF & RE-FRAC
	<input 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 recompleat 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 recompleat 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.)

KTO Energy Inc. would like to amend the procedure to re-perf & re-frac the Mesaverde formation per the following:

Per Monica Kuehling w/OCD we will plan to run a step rate test starting at 0.5 BPM and increase the rate to either 8 BPM or a maximum pressure of 2,200 psig (increase in 0.5 BPM increments). The well will then be frac'd and completed as per the original proposal.

Use Constant Rate injector & time of step

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) TEENA M. WHITING		Title REGULATORY COMPLIANCE TECHNICIAN
Signature <i>Teena M. Whiting</i>		Date 4/11/11

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title APR 13 2011
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

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.

NMOCDAV