

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
Expires March 31, 2007

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. <b>NMSF-047039B</b>	
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other		6. If Indian, Allottee or Tribe Name	
2. Name of Operator <b>KTO Energy Inc.</b>		7. Unit or CA Agreement Name and No.	
3. Address <b>2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM</b>		8. Lease Name and Well No. <b>KUTZ FEDERAL #10F</b>	
3a. Phone No. (include area code) <b>505-324-1090</b>		9. API Well No. <b>30-045-33405</b>	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface <b>720' FNL &amp; 805' FEL 'A'</b> At top prod. interval reported below At total depth <b>6812'</b>		10. Field and Pool, or Exploratory <b>OTERO CHACRA</b>	
14. Date Spudded <b>3/7/06</b>		11. Sec., T., R., M., or Block and Survey or Area <b>SEC 18-T28N-R10W</b>	
15. Date T.D. Reached <b>3/15/06</b>		12. County or Parish <b>SAN JUAN</b>	
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. <b>6/1/06</b>		13. State <b>NM</b>	
17. Elevations (DF, RKB, RT, GL)* <b>5850' GL</b>			
18. Total Depth: MD <b>6812'</b> TVD		19. Plug Back T.D.: MD <b>6740'</b> TVD	
20. Depth Bridge Plug Set: MD TVD			
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) <b>GR/CCL</b>		22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)	

23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt.(#ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8"	24#		378'		244		0	0
7-7/8"	5-1/2"	15.5#		6787'		650 800		0	0

24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-3/8"	6437'								

25. Producing Intervals					26. Perforation Record			
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status		
A) CHACRA	2944'	3062'	2944' - 3062'	0.32"	45			
B)								
C)								
D)								

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.	
Depth Interval	Amount and Type of Material
2944' - 3062'	A. w/1200 gals 15% NEFE HCl acid. Frac'd w/47,224 gals 70Q N2 foamed, 25# linear gel, 2% KCl wtr carrying 53,000# 16/30 Brady sd & 21,000# 16/30 Super LC coated sd.

28. Production - Interval A									
Date First Produced	Test Date 6/1/06	Hours Tested 3	Test Production →	Oil BBL 0	Gas MCF 151	Water BBL 7	Oil Gravity	Gas Gravity	Production Method  FLOWING
Choke Size 3/8"	Tbg. Press. Flwg. SI 320	Csg. Press. 215	24 Hr. →	Oil BBL 0	Gas MCF 1208	Water BBL 56	Gas: Oil Ratio	Well Status  SHUT IN	

28a. Production-Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
			→						

ACCEPTED FOR RECORD

JUL 06 2006

EDMONTON OFFICE

(See instructions and spaces for additional data on page 2)

NMOC

FARMINGTON FIELD OFFICE

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

## 28c. Production-Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

TO BE SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

## 31. Formation (Log) Markers

6TH DAKOTA SS 6550  
 BURRO CANYON SS 6571  
 MORRISON FM 6637

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				OJO ALAMO SS	790
				KIRTLAND SHALE	944
				FRUITLAND FORMATION	1461
				LOWER FRUITLAND COAL	1923
				PICTURED CLIFFS SS	1944
				LEWIS SHALE	2141
				CHACRA SS	2928
				CLIFFHOUSE SS	3515
				MENEFEE	3620
				POINT LOOKOUT SS	4283
				MANCOS SHALE	4639
				GALLUP SS	5496
				GREENHORN LS	6259
				GRANEROS SH	6327
				1ST DAKOTA SS	6359

## 32. Additional remarks (include plugging procedure):

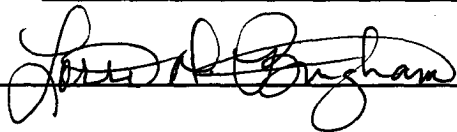
## 33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey  
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) LORRI D. BINGHAMTitle REGULATORY COMPLIANCE TECH

Signature


Date 6/21/06

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.