

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. NMM-047	
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 KTO Energy Inc.		7. Unit or CA Agreement Name and No.	
3. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM		8. Lease Name and Well No. NEW MEXICO FEDERAL N #6F	
3a. Phone No. (include area code) 505-324-1090		9. API Well No. 30-045-33646	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 1920' FSL & 2000' FEL At top prod. interval reported below At total depth		10. Field and Pool, or Exploratory BASIN DAKOTA	
14. Date Spudded 6/24/06		11. Sec., T., R., M., or Block and Survey or Area SEC 6J-T30N-R12W	
15. Date T.D. Reached 7/3/06		12. County or Parish SAN JUAN	
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 9/8/06		13. State NM	
18. Total Depth: MD TVD 7210'		17. Elevations (DF, RKB, RT, GL)* 6004'	
19. Plug Back T.D.: MD TVD 7123'		20. Depth Bridge Plug Set: MD TVD	
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR/CCL/CBL		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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8"	24#		376'		236		0	35
7-7/8"	5-1/2"	15.5#		7210'		1115		0	120

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"	6804'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) DAKOTA	6726'	6908'	6726' - 6908'	0.34"	27	
B)						
C)						
D)						

26. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
6726' - 6908'	A. w/1500 gals 15% NEFE HCl acid. Frac'd w/85,212 gals 60Q CO2 Purgel III LT CO2 foam frac fld carrying 150,260# 20/40 sd.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
		3		0	159	3			FLOWING
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
3/8"	370	620		0	1272	24		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	

D 10/4

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

1ST DAKOTA SS 6720
 BURRO CANYON SS 6935
 MORRISON FM 6956

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				OJO ALAMO SS	734
				KIRTLAND SHALE	886
				FARMINGTON SS	960
				FRUITLAND FORMATION	1888
				LOWER FRUITLAND COAL	2066
				PICTURED CLIFFS SS	2192
				LEWIS SHALE	2414
				CHACRA SS	3357
				CLIFFHOUSE SS	3857
				MENEFEE	3915
				POINT LOOKOUT SS	4557
				MANCOS SHALE	4856
				GALLUP SS	5801
				GREENHORN LS	6595
				GRANEROS SH	6656

32. Additional remarks (include plugging procedure):

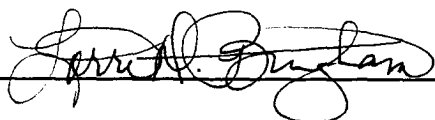
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ 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 9/27/06

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.