

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires March 31, 2007

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.

5. Lease Serial No.

NMSF-079232

6. If Indian, Allottee or Tribe Name

2007 MAR -1 PM 2:16

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KTO Energy Inc.

3a. Address

2700 Farmington Ave., Bldg. K, Ste 1 Farmington,

3b. Phone No. (include area code)

505-324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1860' FNL & 1620' FWL Sec 28F-T27N-R8W

7. If Unit or CA/Agreement, Name and/or No.

RECEIVED

BLM

2800 Farmington NM

BOLACK C #2R

9. API Well No.

30-045-33776

10. Field and Pool, or Exploratory Area

BLANCO S. PICTURED CLIFFS

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

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other SPUD, SET &

PT SURF CSG

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. spudded 12-1/4" surf hole on 2/22/07 & drilled to 242' KB. Set 8-5/8", 24#, J-55 csg on 2/22/07 @ 242' KB & cmted w/150 sx Type III cmt w/2% CaCl2 & 1/4 pps Celloflakes (14.5 ppg & 1.42 cuft/sx). Circ 12 bbls cmt to surf. PT csg to 1000# f/30 min. Tstd OK.

Drilling ahead. . .

RCVD MAR7'07  
OIL CONS. DIV.  
DIST. 3

ACCEPTED FOR RECORD

MAR 02 2007

FARMINGTON FIELD OFFICE

TL Savers

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

LORRI D. BINGHAM

Title

REGULATORY COMPLIANCE TECH

Date 2/27/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

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