

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
B No. 1004-0135
Expires January 31, 2004

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
KAN ENERGY, INC.

3a. Address
**5700 E. SKELLY DR., STE. 650
TULSA, OK 74135**

3b. Phone No. (include area code)
(918) 663-2800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**990' FSL & 1330' FEL
SEC. 11-235-28E**

5. Lease Serial No.
NA 32636

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
ARDED #11 FEDERAL #2

9. API Well No.
30-015-26540

10. Field and Pool, or Exploratory Area
E. LOVING (BRUSHY CANYON)

11. County or Parish, State
EDDY CO., NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recompleate 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 recompleation 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 site is ready for final inspection.)

12/08/02 WIRN WSL. POH W/PDS & PUMP. ND WH & NH BOP. TOH W/TEG.
12/09/02 PH EWL. SET COMP BP AT 5800'. TEST OSG 1000 PSIG-OK. PERF U. BRUSHY CANYON
W/2 SPF 4704-32', 4757-67' & 4774-90' (114 HOLES). PH PKR & TH W/TEG.
12/10/02 FIN TH-SET PKR AT 4625'. SWAB TO SN. TREATED PERFS W/4000 GAL 7 1/2%
HCL ACID & 170 BS. SWABBED-REC 39 BLW-102 BLWTR.
12/11/02 FRAC TREATED PERFS W/65,000 GAL XL GEL & 125,400# 16/30 BROW SD & 4 1/2 ODOH
RC SAND - TOTAL LOAD 1585 PBL. SWINON TO ALLOW GELS TO PK.
12/12/02 KAN RADIOACTIVE TRACER LOG-STARTED FLOWBACK.
12/13/02 FLOWING LOAD BACK-REC 43 BLW-LACK 1512 BLW.
12/14/02 POP AT 3:30 PM. 12/29/02 24 HR TEST-134 BO, 86 BW & 90 MCF GAS.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) MIKE KAISER	Title OP ENGR
Signature <i>Mike Kaiser</i>	Date 04/22/04
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by	Title
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

ACCEPTED FOR RECORD

MAY 11 2004

LES BABYAK
PETROLEUM ENGINEER

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.