

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	CBS Operating Corp.	Contact	M.A. Sirgo, III Benito Sanchez
Address	POBox 2236, Midland, TX 79702	Telephone No.	432/685-0878 432/557-1577
Facility Name	North Square Lake Unit No. 160	Facility Type	North Square Lake Unit No. 160
Surface Owner	USA	Mineral Owner	USA
		Lease No.	NM081277

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	31	16S	31E	330	south	1357.4	west	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	water w/oil skim	Volume of Release	12 bbls	Volume Recovered	
Source of Release	Hole in casing at wellhead	Date and Hour of Occurrence	11/12	Date and Hour of Discovery	11-12-04 @10:30 a.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Paul Evans at BIM found leak		
By Whom?		Date and Hour			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

RECEIVED

DEC - 9 2004

000-011514

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Hole developed in casing below wellhead. An emergency pit was dug to contain fluid. This pit was cleaned out and lined. During the next two weeks, the field became rain soaked and equipment could not get in location. 60 bbls. mostly rain water was removed. Temp pit

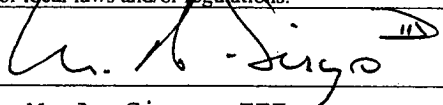
Describe Area Affected and Cleanup Action Taken.*

The area affected was the well pad around the pumping unit.
Repair and clean up as per attached Sundry.

was closed 12/1/04.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature: 	Approved by District Supervisor:	
Printed Name: M. A. Sirgo, III	Approval Date: <i>Accepted for record - NMOCD</i>	
Title: Engineer	Expiration Date:	
E-mail Address: mastres@aol.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12-7-04 Phone: 432/685-0878		

* Attach Additional Sheets If Necessary

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OM B 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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
CBS OPERATING CORP.

3a. Address P O BOX 2236

MIDLAND TX 79702

3b. Phone No. (include area code)

432/685-0878

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

330' FSL & 1357.4' FWL UL N Sec. 31 T16S R31E

5. Lease Serial No.

NM081277

6. If Indian, Allottee or Tribe Name

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

NORTH SQUARE LAKE UNIT

8. Well Name and No.

NORTH SQUARE LAKE UNIT 160

9. API Well No.

30-015-04953

10. Field and Pool, or Exploratory Area

SQUARE LAKE GB SA

11. County or Parish, State

EDDY

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 Repair surf hole in casing and reclaim pad area affected	
	<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 recomplete 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 recompletion 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.)

- 1) Set permitted 50 bbl fiberglass tank in ground to contain discharge from leak at wellhead.
- 2) MI&RU pulling unit. Replace section of casing @ surface where hole is located.
- 3) Haul all fluids from fiberglass tank to disposal.
- 4) Notify NMOCD & BLM Reps to begin sampling of prior emergency pit location and affected pad areas. All samples to be taken to Cardinal Labs in Hobbs to determine contamination depth.
- 5) Remove all contaminated soil and take to land farm.
- 6) Replace with clean soil.
- 7) Return well to production.

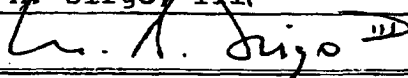
Accepted for record - NMOCD

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

M. A. Sirgo, III

Title Engineer

Signature



Date

December 7, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Office

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.

(Instructions on page 2)