

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.

OCD-Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No NMLC029342B
2. Name of Operator CBS OPERATING CORPORATION Contact: PEGGY REDMAN E-Mail: peg1was@aol.com		6. If Indian, Allottee or Tribe Name
3a. Address MIDLAND, TX 79702	3b. Phone No. (include area code) Ph: 432-685-0878 Fx: 432-685-1945	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 9 T17S R30E SESE 660FSL 660FEL		8. Well Name and No. LOCO HILLS B FD 1
		9. API Well No. 30-015-20537-00-S2
		10. Field and Pool, or Exploratory GRAYBURG JACKSON
		11. County or Parish, and State EDDY COUNTY, NM

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 type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" 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 checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input 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 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 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.)

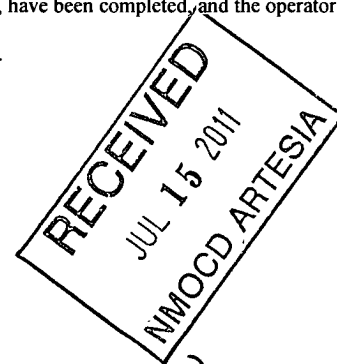
5-25-2011-MIRU-unset pkr,install BOP,TOH w/ tbnng + inj pkr,RIH w/wireline & set BP @ 2400'

5-26-2011-RIH w/tbnng open ended,spot 42 sx cmt from 1618-2022' across old Penrose perms (1744-1972'),TOH pick up sqz pkr,RIH -set pkr @ 637'- sqzd 3 bbls of cmt into perms-SI overnight w/1100#

5-27-2011-RIH tag cmt @ 1627',found hole between 510'-575',sqzd w/ 152 sx,circ cmt to surface.

5-31-2011-RIH tag cmt @ 204',rig up to drill out all cement

6-1 to 6-9,2011 drill cmt to BP @ 2400',tst'd sqz perms at 1744'-1972' to 610#,held OK,tst'd sqz perms between 510'-575',still leaking off some

*Change Completion Code From D2 To S2 (Single Comp.)*

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #111299 verified by the BLM Well Information System For CBS OPERATING CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 06/23/2011 (11KMS1922SE)	
Name (Printed/Typed) MANNY SIRGO III	Title ENGINEER
Signature (Electronic Submission)	Date 06/23/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED		JAMES A AMOS Title SUPERVISOR EPS	Date 06/27/2011
Approved By		Office Carlsbad	Accepted for record NMOC D RE 7/24/11
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 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.			

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #111299 that would not fit on the form

32. Additional remarks, continued

6-10-2011-RIH w/PC-scab liner w/ top seal @ 515' & btm seal @ 575'+ inj pkr. circ 55 bbls of pkr fluid set pkr,packed off wellhead,notified NMOCD for new MIT

6-13-2011-NMOCD witness MIT,held 530# for 30 min,orig chart with NMOCD,return well to injection