



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA
OCT 07 2008
OCD-ARTESIA

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.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. 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)

210' FNL & 1310' FEL UL A Sec. 33 T16S R31E

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

North Square Lake Unit NML01360X

8. Well Name and No.

North Square Lake Unit 194

9. API Well No.

30-015-32912

10. Field and Pool or Exploratory Area

Square Lake GB-SA

11. Country or Parish, State

Eddy NM

12. CHECK THE 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 Extension to complete
	<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	

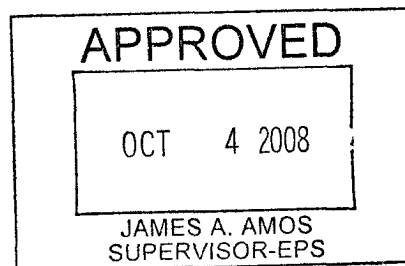
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

See attached

ACCEPTED FOR RECORD

OCT 8 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA



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

Name (Printed/Typed)

M. A. Sirgo, III

Title Engineer

Signature

Date September 23, 2008

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, 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)

CBS Operating Corp.
P. O. Box 2236
Midland, Texas 79702

North Square Lake Unit Well No. 194
Eddy County, New Mexico

Attachment to Sundry Notice Form 3160-5

Reference is made to CBS Operating's previous request dated September 8, 2008 and attached hereto.

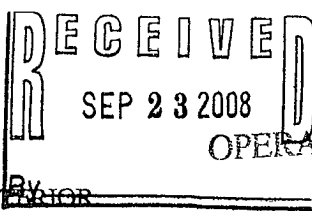
North Square Lake Unit Well No. 194 is one of two new drill wells remaining to be completed from CBS Operating's initial ten-well infill program in 2004. This well was cemented to surface on both the surface and long string. There are no perforations in the wellbore.

As disclosed to BLM personnel in a meeting on August 28, 2008 at the BLM offices in Carlsbad, New Mexico, CBS Operating has been employing new technology to deal with a mobility problem. CBS identified this problem, which affects the entire geographic area covered by the North Square Lake Unit. CBS has employed this technology at the wellbore level in 12 wells at the North Square Lake Unit. CBS has been working with the developers of this technology to employ this product at the reservoir level.

It is CBS' desire to include these products in the stimulation procedure contemplated for this wellbore. Additional time is needed to finalize the application of these products in the completion procedure for this well. CBS again respectfully requests an extension of time to complete this well until April 1, 2009.

CBS additionally requests that the BLM recognize that the majority of CBS' efforts since acquiring these properties have been the restoration to compliance of 64 wellbores that had been out of compliance by previous operators. To date CBS has either plugged or restored to production or injection 33 of these wells. These wells have been returned to compliance subject to Agreed Order NMOCD-136 entered into with the NMOCD and Sundry Notices with the BLM.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



OPERATOR'S COPY

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.	LC-056302 (b)
6. If Indian, Allottee or Tribe Name	
7. If Unit of CA/Agreement, Name and/or No.	North Square Lake Unit NM101360X
8. Well Name and No.	North Square Lake Unit 194
9. API Well No.	30-015-32912
10. Field and Pool or Exploratory Area	Square Lake GB-SA
11. Country or Parish, State	Eddy NM

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. 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) 210' FNL & 1310' FEL UL A Sec. 33 T16S R31E	

12. CHECK THE 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 <u>Extension</u> to complete
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

CBS respectfully requests an extension of the current completion deadline for this new drill well from October 1, 2008 until April 1, 2009. This well is one of ten new wells CBS Operating drilled in the North Square Lake Unit. Eight of the ten wells have been completed.

In the course of evaluating results of the previous new well completions, CBS identified a mobility issue that it has employed some new technology to manage in the completed wellbores.

CBS is currently working with the developers of this technology to employ it at the reservoir level, including in the completion process for the two remaining wells. CBS needs additional time to incorporate this technology in the completion of this well.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) M. A. Sirgo, III	Title Engineer
Signature <i>M. A. Sirgo</i>	Date September 8, 2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by DENIED (ORIG. SGD.) WESLEY W. INGRAM	Date SEP 17 2008
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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

JAN 16 2004

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC-056302 (B)
2. Name of Operator CBS OPERATING CORP.		6. If Indian, Allottee or Tribe Name
3a. Address P. O. BOX 2236 MIDLAND TX 79702	3b. Phone No. (include area code) 432/685-0878	7. If Unit or CA/Agreement, Name and/or No. NORTH SQUARE LAKE UNIT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 210' FNL & 1310' FEL UL A Sec. 33 T16S R31E		8. Well Name and No. NORTH SQUARE LAKE UNIT 194
		9. API Well No. 30-015-32912
		10. Field and Pool, or Exploratory Area SQUARE LAKE GB-SA
		11. County or Parish, State EDDY, 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 type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Drill &</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>set casing</u>
	<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 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 site is ready for final inspection.)

12-11-03 Abbott Bros. set 14" x 39' conductor pipe.

12-19-03 MI & RU United Drilling. Spud 12-1/4" surface hole @ 9:30 p.m. Drilled to 682'. Ran 16 jts. 8-5/8" 32# casing and set @ 677'. BJ cemented 8-5/8" casing w/425 sx Class C + 2% CaCl. Plug down at 4:00 p.m. 12-20-03. Circulated 153 sx cement to surface. WOC.

01-01-04 Drilled to 3700' TD. Reached TD at 4:30 p.m. Ran 80 jts. 5-1/2" 17# J-55 casing and set @ 3690'. BJ cemented 5-1/2" casing w/1000 sx Class C 50/50 Poz + 1/4# Cello flakes + 375 sx Class C tail. Plug down at 12:44 p.m. 1-2-04. Shut down. Waiting on completion.

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

M. A. SIRGO, III

Title ENGINEER

Signature

M. A. Sirgo

Date

JANUARY 7, 2004

ACCEPTED FOR RECORD

JAN - 9 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

LES BABYAK

PETROLEUM ENGINEER

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

DAILY DRILLING REPORT

NSLU WELL NO. 194
210' FNL & 1310' FEL SEC. 33
EDDY COUNTY, NM
API NO. 30-015-32912

OPER: CBS OPERATING CORP.
PROPOSED TD: 3500' GL 3995'
SQUARE LAKE GB SA
SPUD DATE: 12-19-03

DATE	DESCRIPTION OF WORK
12-20-03	6:00 a.m. report time. Drilling 540' w/fresh water. MI & RU United Drilling Rig No. 12. Spud 12-1/4" surface hole @ 9:30 p.m. 12-19-03. WOB all, PP 700#.
12-21-03	6:00 a.m. report time. Drilled to 682' w/fresh water. WOB all, PP 900#. Dev. Survey 3/4° @ 664'. Ran 16 jts. 8-5/8" 32# casing and set @ 676.94'. BU cemented 8-5/8" casing w/425 sx. Class C + 2% CaCl. Plug down at 4:00 p.m. Circulated 153 sx to surface. WOC.
12-22-03	6:00 a.m. report time. Present depth 682'. Tripping in hole w/bit and drill pipe. Shut down for holiday. Will resume drilling December 26, 2003.
12-23-03	6:00 a.m. report time. TD 682'. Shut down.
12-24-03	Shut down for Christmas holiday.
12-25-03	Shut down for Christmas holiday.
12-26-03	Shut down for Christmas holiday.
12-27-03	6:00 a.m. report time. Drilling 1630' w/brine water. MW 10, Vis. 32, WOB 40K, PP 800#. Dev. Survey 1° @ 1043', 1° @ 1506'. (Footage last 24 hrs. 948').
12-28-03	6:00 a.m. report time. Drilling 2236' w/brine water. MW 10, Vis. 32, WOB 40K, PP 1000#. Dev. Survey 1° @ 2005'. (Footage last 24 hrs. 606').
12-29-03	6:00 a.m. report time. Drilling 2658' w/brine water. MW 10, Vis. 32, WOB 40K, PP 1000#. Dev. Survey 3/4° @ 2502'. (Footage last 24 hrs. 422').
12-30-03	6:00 a.m. report time. Drilling 3035' w/brine water. MW 10, Vis. 32, PH 11, WOB 40K, PP 1000#. (Footage last 24 hrs. 377').

DAILY DRILLING REPORT

NSLU WELL NO. 194
210' FNL & 1310' FEL SEC. 33
EDDY COUNTY, NM
API NO. 30-015-32912

OPER: CBS OPERATING CORP.
PROPOSED TD: 3500' GL 3995'
SQUARE LAKE GB SA
SPUD DATE: 12-19-03

DATE	DESCRIPTION OF WORK
12-31-03	6:00 a.m. report time. Drilling 3349' w/brine water. MW 10.1, Vis. 33, PH 10, WOB 40K, PP 1000#. Dev. Survey 1° @ 3004'. (Footage last 24 hrs. 314').
01-01-04	6:00 a.m. report time. Drilling 3630' w/brine water. MW 10.1, Vis. 33, PH 10, WOB 40K, PP 1000#. Dev. Survey 3/4° @ 3504'. (Footage last 24 hrs. 281').
01-02-04	6:00 a.m. report time. Drilled to 3700' TD w/brine water. Reached TD @ 4:30 p.m. 1-1-04. MW 10.1, Vis. 33, PH 8, WOB 40K, PP 1000#. Dev. Survey 1/2° @ 3670'. (Footage last 24 hrs. 70'). Preparing to run 5-1/2" casing.
01-03-04	6:00 a.m. report time. Ran 80 jts. 5-1/2" 17# J-55 casing and set @ 3690'. BJ cemented with 1000 sx Class C 50/50 Poz + 1/4# Cello flakes + 375 sx Class C tail. Plug down at 12:44 p.m. 1-2-04. Shut down. Waiting on completion.