

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

OCD-ARTESIA

AUG 25 2008

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. 86405
2. Name of Operator KCS RESOURCES, LLC		6. If Indian, Allottee or Tribe Name
3a. Address 1000 LOUISIANA, SUITE 5600, HOUSTON TEXAS 77002	3b. Phone No. (include area code) 972-767-1291	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660 FSL & 1980 FWL CONGRESS SECTION SEC 19-18S-31E		8. Well Name and No. WEST SHUGART '19' 1 FEDERAL
		9. API Well No. 30-015-30149
		10. Field and Pool, or Exploratory Area SHUGART;BONE SPRING, NORTH
		11. County or Parish, State EDDY NM

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

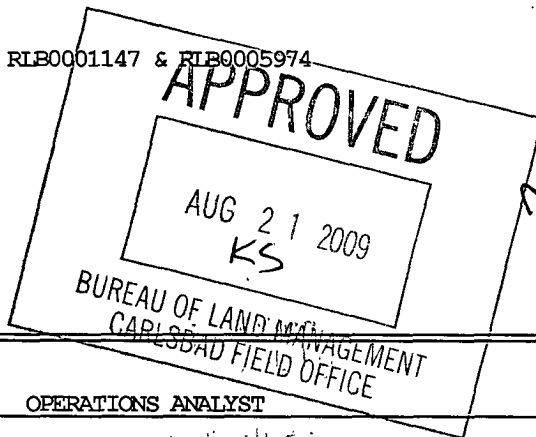
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

EFFECTIVE JANUARY 1, 2009 THE OPERATOR OF THIS WELL CHANGED ITS NAME FROM KCS RESOURCES, INC. TO KCS RESOURCES, LLC.

Be advised that KCS RESOURCES, LLC is considered to be the operator on the above described lands and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands or portions thereof.

Bond Coverage for this well is provided under ELM Bond No. RLB0001147 & RLB0005974



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) CORINNE ILLICH	Title OPERATIONS ANALYST
Signature <i>Corinne Illich</i>	Date FEBRUARY 7, 2009

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		