

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	RECEIVED	5. Lease Serial No. LC-063927
2. Name of Operator CBS OPERATING CORP.:	OCT 0 8 2004	6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 2236 MIDLAND TX 79702	3b. Phone No. 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) 1980' FSL & 1980' FEL UL J Sec. 19 T16S R31E		8. Well Name and No. NORTH SQUARE LAKE UNIT 3
		9. API Well No. 30-015-20183
		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 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" 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.)

- . Pursuant to New Mexico Oil Conservation Division Order PMX-224
- . MI&RU - Trip production equipment out of hole.
- . Pull Cement Bond Log to confirm adequate cement below and at least 300' above injection interval and confirm surface cement sheath. Remedy if required.
- . Reperforate and/or acidize injection interval in Grayburg-San Andres.
- . RIH with injection packer and plastic coated tubing to no more than 100' above injection interval.
- . Circulate packer fluid up backside to surface. Set packer and pressure test casing for Mechanical Integrity.
- . Install pressure gauge on casing-tubing annulus.
- . Initiate water injection into Grayburg-San Andres.

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

M. A. Sirgo III

Title Engineer

Signature

M. A. Sirgo III

Date October 1, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) ALEXIS C. SWOBODA

PETROLEUM ENGINEER

OCT 05 2004

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
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)