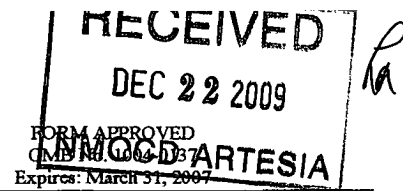


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CCD-ARTESIA



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.		5. Lease Serial No. LC-029342B
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator CBS Operating Corp.		7. If Unit of CA/Agreement, Name and/or No.
3a. Address P O Box 2236 Midland TX 79702	3b. Phone No. (include area code) 432/685-0878	8. Well Name and No. Loco Hills B Federal 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 660' FEL UL I Sec. 9 T17S R30E		9. API Well No. 30-015-20617
		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 checked="" 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 type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

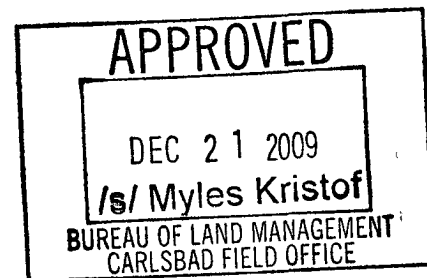
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths 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 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.)

MI & RU. Pick up workstring, bit and swivel. Run in hole and ream out tight spot at 539'.

Clean out well to TD and acidize perforations.

Set new pumping unit.

Run tubing, pump and rods. Return well to production.



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 December 8, 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	

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 of representations as to any matter within its jurisdiction.

MR

**Loco Hills B federal 2
30-015-20617
CBS Operating Corp.
December 21, 2009
Conditions of Approval**

- 1. Surface disturbance beyond the existing pad must have prior approval.**
- 2. Closed loop system required.**
- 3. Well to be returned to production within 90 days of 12/21/09.**
- 4. Subsequent sundry detailing date well was returned to production required.**

MAK 122109