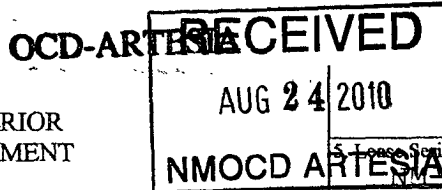


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



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. 74937  
6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

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

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other Water Injection

8. Well Name and No.  
Federal KK 1

2. Name of Operator

CBS Operating Corp.

9. API Well No.  
30-015-20315

3a. Address P O Box 2236

Midland TX 79702

3b. Phone No. (include area code)

432/685-0878

10. Field and Pool or Exploratory Area  
Square Lake GB SA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL & 660' FEL UL P Sec. 3 T17S R30E

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 <u>Reactivate</u>
	<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.)

MI & RU pulling unit. TOH with vent packer assembly.

Drill out CIBP at 2868'.

RIH with injection packer, vent packer assembly and IPC tubing.

Circulate backside with packer fluid.

Set injection packer at 2800'+-. Notify NMOCD for MIT.

Run MIT and return well to injection.

Accepted for record  
NMOCD RI  
9/28/10

Rejected - See Attached  
8/19/10 C. Walls

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 May 11, 2010

**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)

**Federal KK #1  
30-015-20315  
CBS Operating Corp.  
August 19, 2010  
Conditions of Rejection**

Authorization to inject was granted pursuant to NMOCD order # R-4049. Pursuant to NMOCD rules, if there is a cessation of injection in a water flood project for more than one year the authorization to inject expires. For Federal KK #3, no injection occurred from June 2004 to September 2006 and for Federal KK #1, no injection occurred from July 2003 to present. Therefore the one year time span has been met and the injection permit has expired. Operator shall reapply with NMOCD to reinstate the order.

CRW/WWI 081910

VERIFIED BY RI - NMOCD  
9/28/10