

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**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.  
NMNM074937

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

2. Name of Operator

CBS OPERATING CORP.

Contact PEGGY REDMAN

E-Mail: peg1was@aol.com

8. Well Name and No.  
FEDERAL KK 19. API Well No.  
30-015-20315

3a. Address

PO BOX 2236  
MIDLAND, TX 79702

3b. Phone No. (include area code)

Ph: 432-685-0878

10. Field and Pool, or Exploratory  
SQUARE LAKE GB SA

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

Sec 3 T17S R30E SESE 660FSL 660FEL

11. County or Parish, and State

EDDY COUNTY, NM

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

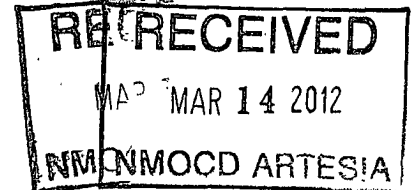
## TYPE OF SUBMISSION

## TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☒ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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.)

MIRU- Unset Injection pkr and TOH w/ packer, scab liner and vent pkr assembly.

Lay down liner & vent packer assembly. PU RBP and RIH to 2860' and set.  
drop sand on RBP. TOH -PU test pkr. Test casing above RBP @ 2860'. Locate  
any casing leaks back to surface.TOH PU RBP w/ test pkr, RIH and isolate casing leaks.  
pump into casing leaks and establish rate. Squeeze leaks with Class C  
cement. SDFN-WOC-tag cement above any leaks, resqueeze if necessary.  
Drill out cement and MIT test casing above RBP @ 2860' back to surface  
to 500#. If casing holds, RIH circ sand off RBP @ 2860' and retrieve RBP.*Approval given  
w/ attached COAs  
03/12/2012 PRF*

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

Electronic Submission #132728 verified by the BLM Well Information System  
For CBS OPERATING CORP., sent to the Carlsbad

Accepted for record

NMNM OGD

Name (Printed/Typed) MANNY SIRGO III

Title ENGINEER

*ARWade 03/15/2012*

Signature (Electronic Submission)

Date 03/12/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

/s/ JD Whitlock Jr

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.**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #132728 that would not fit on the form**

**32. Additional remarks, continued**

PU Injection packer and RIH w/ PC-tubing to 2860', circ hole w/ pkr fluid.  
Set pkr and run new MIT test above injection pkr.

If casing repair does not hold, retrieve RBP and RIH w/ CIBP to 2860' and set. File P & A sundry.

# **Conditions of Approval**

**CBS Operating Corp.**

**Federal KK 1**

**API 3001520315**

March 12, 2012

1. Surface disturbance beyond the existing pad must have prior approval.
2. Closed loop system required. 2000 2M BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 (attachment 1, 2M diagrams of choke manifold equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
3. Prior BLM approval of a notice of intent (BLM Form 3160-5) is required for fracture treatment of injection wells. The operator will be required to tag fracture material with a tracer and run a tracer survey to verify that the fracture material is not placed out of zone. Results of the tracer to be reported on the workover subsequent sundry Form 3160-5.
4. Workover approval is good for 90 days (completion to be within 90 days of approval).
5. Attempt to establish communication through 4 ½" casing leaks to surface up the 4 ½" – 8 5/8" annulus. Bring cement to surface if possible, close the 4 ½" – 8 5/8" annulus at surface, and squeeze with a minimum of 1,000psig pump pressure.
6. Surface injection pressure is to be limited to 585 psig unless a step rate test is offered to indicate fracture pressure is greater.

## **Well with a Packer - Operations**

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
  - a) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
  - b) Document the pressure test on a calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
  - c) At least 24 hours before the test: In Eddy County email Paul R. Swartz [pswartz@blm.gov](mailto:pswartz@blm.gov), (phone 575-200-7902). If there is no response phone 575-361-2822. Note the contact notification method, time, & date in your subsequent report.
  - d) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.

- e) Use of tubing internal protection, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
- f) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- 2) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
  - a) Approved injection pressure compliance is required.
  - b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
  - c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum.
    - i) Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 3) Other unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 4) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity.
- 5) The annulus is to be maintained full of packer fluid at atmospheric pressure. Installation of equipment that will display on site, continuous open to the air fluid level is required. A BLM inspector may request verification of this fluid level at any time.
- 6) **Submit a subsequent report (Sundry Form 3160-5)** describing the installation of packer fluid level monitoring equipment within 30 days of beginning injection.
- 7) The operator shall keep monthly records documenting that the casing annulus is fluid filled. A suggested format for these records is available from the BLM Carlsbad Field Office. Copies of those records shall be furnished at the request of a BLM authorized officer.
- 8) Loss of packer fluid above five barrels per month requires notification of the BLM authorized officer within 5 days.
- 9) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of Opsia. Notify the BLM's authorized officer (Paul R. Swartz [paul.swartz@blm.gov](mailto:paul.swartz@blm.gov) phone 575-200-7902). If there is no response phone 575-361-2822.
- 10) Also submit to this office a (Sundry Form 3160-5) Notice of Intent (NOI) for planned well work involving a formation change, casing repair/replacement, and injection well fracture treatment for approval by BLM and NMOCD. Verbal approval for the plan may be given by a BLM authorized officer, with the NOI filed within five business days. Packer and tubing repair (normal maintenance procedures) do not require a NOI, but a subsequent sundry needs to be filed. [http://www.blm.gov/nm/st/en/prog/energy/oil\\_and\\_gas.html](http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html) (see CFR § 3162.3-2 43 & CFR § 3160.0-9 (c)(1) ).
  - a) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of required equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.

## Use of Form 3160-5 "Sundry Notices and Reports on Wells"

### § 43 CFR 3162.3-2 Subsequent Well Operations.

a) A proposal for further well operations shall be submitted by the operator on Form 3160-5 for approval by the authorized officer prior to commencing operations to redrill, deepen, perform casing repairs, plug-back, alter casing, perform nonroutine fracturing jobs, recompleting in a different interval, perform water shut off, commingling production between intervals and/or conversion to injection. If there is additional surface disturbance, the proposal shall include a surface use plan of operations. A subsequent report on these operations also will be filed on Form 3160-5. The authorized officer may prescribe that each proposal contain all or a portion of the information set forth in §3162.3-1 of this title.

(b) Unless additional surface disturbance is involved and if the operations conform to the standard of prudent operating practice, prior approval is not required for routine fracturing or acidizing jobs, or recompleting in the same interval; however, a subsequent report on these operations must be filed on Form 3160-5.

(c) No prior approval or a subsequent report is required for well cleanout work, routine well maintenance, or bottom hole pressure surveys.

[47 FR 47765, Oct. 27, 1982. Redesignated and amended at 48 FR 36583-36586, Aug. 12, 1983, further amended at 52 FR 5391, Feb. 20, 1987; 53 FR 17363, May 16, 1988; 53 FR 22847, June 17, 1988]

### § 43 CFR 3160.0-9 (c)(1) Information collection.

(c)(1) The information collection requirements contained in part 3160 have been approved by the Office of Management and Budget under 44 U.S.C. 3507 and assigned the following Clearance Numbers:

#### Operating Forms

Form No.	Name and filing date	OMB No.
3160-3	Application for Permit to Drill, Deepen, or Plug Back—Filed 30 days prior to planned action	1004-0136
3160-4	With Completion of Recompletion Report and Log—Due 30 days after well completion	1004-0137
3160-5	Sundry Notice and Reports on Wells—Subsequent report due 30 days after operations completed	1004-0135

The information will be used to manage Federal and Indian oil and gas leases. It will be used to allow evaluation of the technical, safety, and environmental factors involved with drilling and producing oil and gas on Federal and Indian oil and gas leases. Response is mandatory only if the operator elects to initiate drilling, completion, or subsequent operations on an oil and gas well, in accordance with 30 U.S.C. 181 *et seq.*

### § 3162.4-1 (c) Well records and reports.

Not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed.

NM Fed Regs & Forms - [http://www.blm.gov/nm/st/en/prog/energy/oil\\_and\\_gas.html](http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html)