

N.M. Oil Cons. DIV-Dist. 2

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Grand Avenue
Alamosa, NM 88210FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

OCD-ARTS/BLM

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 ☐ Oil Well ☐ Gas Well ☒ Other Water Injection2. Name of Operator
CBS OPERATING CORP.3a. Address P O BOX 2236
MIDLAND TX 797023b. Phone No. (include area code)
432/685-0878

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

660' FSL & 660' FEL UL P SEC 3 T17S R30E

5. Lease Serial No.
NM074937

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No
FEDERAL KK 19. API Well No.
30-015-2031510. Field and Pool, or Exploratory Area
SQUARE LAKE GB SA11. 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 Resume	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>injection</u>	
	<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 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.)

The Federal KK 1 was temporarily abandoned in 1995 with a CIBP @ 2868' over injection perfs. Additionally the top 600' of production casing was replaced at that time to repair a casing problem. CBS is currently re-establishing waterflood operations throughout a large area in the Square Lake field. Leases included in this effort are the North Square Lake Unit, West Burnham Unit, Federal JJ, Federal KK, Federal R, Federal Q, Loco Hills A and Loco Hills B. Approximately 42 wellbores are being reworked as part of this effort. The Federal KK 1 will be reactivated as an injection well as part of that effort. Service rig availability is limited to one full time rig for these 42 wells. It is anticipated work on the Federal KK 1 to re-activate injection will commence on or about October 1, 2005.

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 JULY 13, 2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) ALEXIS C. SWOBODA

PETROLEUM ENGINEER

JUL 21 2005

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

RFO

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)

APPROVED FOR 6 MONTH PERIOD

ENDING 1/21/06

Accepted for record MOOD