

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

5/25/2004

CBS Operating Corp PO Box 2236 Midland, TX 79702

SECOND NOTICE OF NON-COMPLIANCE

RE: Attached List

Dear Sirs:

This second directive is to notify you that these wells are still in violation of OCD Rules.

On 2/17/2004 an inspection was performed on the above well(s) and it was found the well(s) failed to meet mechanical integrity standards and were required to be shut – in. A review of our records indicates no correspondence has been received which indicates the well(s) have been brought into compliance. The well(s) must be returned to physical compliance on or before the date indicated below.

In the event that a satisfactory response is not received to this letter of direction by June 25, 2004, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely.

Compliance Officer NMOCD – District II

Comply Master by Inspector Well Filter (Compliance Acheived Date is

| Inspector | Dt_Viol | Company | Viol_Typ | API_WellNo | SNC | Dt_CompRe Well Name and | Тур | e Status | Location | Dt_Mod Comp. Acheived |
|---------------|-----------|---------------|----------|----------------|-----|-----------------------------|------|----------|----------|-----------------------|
| GEG | | | | | | | | | | |
| Febru | ary 2004 | | | | | | | | | |
| GEG0404835413 | 2/17/2004 | CBS OPERATING | MI 6 | 30015206110000 | N | 5/22/2004 LOCO HILLS A | 006 | I S | D 15 17 | 30 2/19/2004 |
| GEG0404839106 | 2/17/2004 | CBS OPERATING | S МI | 30015040560000 | N | 5/22/2004 BURNHAM | 001D | I A | F 2 17 | 30 2/19/2004 |
| GEG0404839486 | 2/17/2004 | CBS OPERATING | MI 6 | 30015040580000 | N | 5/22/2004 BURNHAM | 003A | ıs | H 2 17 | 30 2/19/2004 |
| GEG0404840692 | 2/17/2004 | CBS OPERATING | S MI | 30015040480000 | N | 5/22/2004 BURNHAM | 002A | I A | N 2 17 | 30 5/25/2004 |
| GEG0404841347 | 2/17/2004 | CBS OPERATING | 6 MI | 30015203150000 | N | 5/22/2004 FEDERAL KK | 001 | l s | P 3 17 | 30 2/19/2004 |
| GEG0404843079 | 2/17/2004 | CBS OPERATING | MI | 30015039250000 | N | 5/22/2004 NORTH SQUARE LAKE | 069 | I A | O 25 16 | 30 2/19/2004 |
| GEG0404843498 | 2/17/2004 | CBS OPERATING | S MI | 30015108630000 | N | 5/22/2004 NORTH SQUARE LAKE | 185 | 1 A | A 36 16 | 30 2/19/2004 |
| GEG0404847264 | 2/17/2004 | CBS OPERATING | S MI | 30015048640000 | N | 5/22/2004 NORTH SQUARE LAKE | 800 | I A | 1 20 16 | 31 2/19/2004 |
| GEG0405453348 | 2/17/2004 | CBS OPERATING | S MI | 30015040660000 | N | 5/22/2004 FEDERAL KK | 003 | 1 A | J 3 17 | 30 2/26/2004 |
| GEG0405554356 | 2/17/2004 | CBS OPERATING | € MI | 30015040480000 | N | 5/22/2004 BURNHAM | 002A | I A | N 2 17 | 30 2/24/2004 |
| GEG0405556295 | 2/17/2004 | CBS OPERATING | S MI | 30015050340000 | N | 5/22/2004 FEATHERSTONE | 005 | I S | 3 2 17 | 31 2/24/2004 |
| GEG0405556684 | 2/17/2004 | CBS OPERATING | S MI | 30015049490000 | N | 5/22/2004 NORTH SQUARE LAKE | 127 | I A | H 31 16 | 31 3/10/2004 |

Tuesday, May 25, 2004

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