

New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Harrison H. Schmitt

Cabinet Secretary-Designate

Daniel Sanchez

Acting Division Director
Oil Conservation Division



Response Required – Deadline Enclosed

Field Inspection Program

"Preserving the Integrity of Our Environment"

12-Jan-11

CBS OPERATING CORP

PO BOX 2236

MIDLAND TX 79702

LOVNO. 02-09-185

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

NORTH SQUARE LAKE UNIT No.071

P-25-16S-30E

30-015-03924-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/12/2011	Routine/Periodic	Kimberly Wilson	Yes	No	1/26/2011 iKMW1101228206	
Comments on Inspection: No well sign, violation of NMAC 19.15.16.8. Operator must submit a C-103 stating date well sign was installed to OCD District II office no later than January 26, 2011.						

NORTH SQUARE LAKE UNIT No.096

A-36-16S-30E

30-015-04031-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/12/2011	Routine/Periodic	Kimberly Wilson	Yes	No	4/13/2011 iKMW1101228712	
Comments on Inspection: Idle well, 45 months with no production. Violation of NMAC 19.15.25.8. Operator must return well to beneficial use, TA or submit PA procedures to OCD District II office no later than April 13, 2011, for approval.						

No well sign, violation of NMAC 19.15.16.8. Operator must submit a C-103 stating date well sign was installed to OCD District II office no later than January 26, 2011.

Oil Conservation Division

1301 W. Grand Avenue • Artesia, New Mexico 88210

Phone (575)748-1283 • Fax (575) 748-9720 • www.emnrd.state.nm.us/OCD



NORTH SQUARE LAKE UNIT No.070

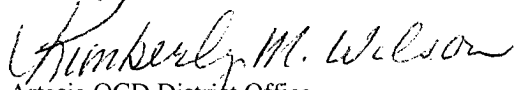
P-25-16S-30E

30-015-20316-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/12/2011	Routine/Periodic	Kimberly Wilson	Yes	No	1/26/2011	iKMW1101227978
Comments on Inspection: No well sign, violation of NMAC 19.15.16.8. Operator must submit a C-103 stating date well sign was installed to OCD District II office no later than January 26, 2011.						

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, 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,


Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.