

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E. Director Oil Conservation Division

February 28, 2005

Manny Sirgo CBS Operating Corporation PO Box 2236 Midland, TX 79702

Re: PMX-224 Time limit Extension Eddy County, New Mexico

Dear Mr. Sirgo:

For the reasons outlined in your email sent today, the Division is hereby extending the deadline(s) to begin injection into those wells approved by administrative order PMX-224. PMX-224 was approved March 31, 2005 with approval for each well individually to expire within one year of the approval date.

The wells approved for injection by PMX-224 are as follows:

North Square Lake Unit Well No. 23, API No. 30-015-04906 810 FNL & 1980 FWL, (Unit C) Section 29, Township 16 South, Range 31 East, NMPM Open Hole Interval: 3150 - 3445, Packer at 3050, Maximum Injection Pressure 630 psi.

North Square Lake Unit Well No. 24, API No. 30-015-04912 660 FNL & 1980 FEL, (Unit B) Section 29, Township 16 South, Range 31 East, NMPM Perforated Interval: 3311 - 3514, Packer at 3215, Maximum Injection Pressure 662 psi.

North Square Lake Unit Well No. 25, API No. 30-015-04913 810 FNL & 990 FEL, (Unit A) Section 29, Township 16 South, Range 31 East, NMPM Perforated Interval: 3311 - 3514, Packer at 3275, Maximum Injection Pressure 662 psi.

North Square Lake Unit Well No. 3, API No. 30-015-20183 1980 FSL & 1980 FEL, (Unit J) Section 19, Township 16 South, Range 31 East, NMPM Perforated Interval: 3145 - 3263, Packer at 3045, Maximum Injection Pressure 629 psi.

North Square Lake Unit Well No. 5, API No. 30-015-10322 1650 FSL & 990 FWL, (Unit L) Section 20, Township 16 South, Range 31 East, NMPM Perforated Interval: 3291 - 3441, Packer at 3191, Maximum Injection Pressure 658 psi.

North Square Lake Unit Well No. 20, API No. 30-015-04936 660 FNL & 1980 FEL, (Unit B) Section 30, Township 16 South, Range 31 East, NMPM

Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505 Phone: (505) 476-3440 * Fax (505) 476-3462 * <u>http://www.emnrd.state.nm.us</u> Perforated Interval: 3111 - 3250, Packer at 3011, Maximum Injection Pressure 622 psi.

North Square Lake Unit Well No. 22, API No. 30-015-04905 760 FNL & 560 FWL, (Unit D) Section 29, Township 16 South, Range 31 East, NMPM Open Hole Interval: 3060 - 3391, Packer at 3010, Maximum Injection Pressure 612 psi.

North Square Lake Unit Well No. 62, API No. 30-015-04892 1980 FSL & 660 FWL, (Unit L) Section 28, Township 16 South, Range 31 East, NMPM Open Hole Interval: 3337 - 3598, Packer at 3287, Maximum Injection Pressure 667 psi.

North Square Lake Unit Well No. 83, API No. 30-015-04915 550 FSL & 550 FEL, (Unit P) Section 29, Township 16 South, Range 31 East, NMPM Perforated Interval: 3343 - 3550, Packer at 3243, Maximum Injection Pressure 668 psi.

North Square Lake Unit Well No. 85, API No. 30-015-04895 560 FSL & 1880 FWL, (Unit N) Section 28, Township 16 South, Range 31 East, NMPM Open Hole Interval: 3352 - 3625, Packer at 3302, Maximum Injection Pressure 670 psi.

North Square Lake Unit Well No. 111, API No. 30-015-04979 660 FNL & 1980 FEL, (Unit B) Section 33, Township 16 South, Range 31 East, NMPM Open Hole Interval: 3381 - 3684, Packer at 3331, Maximum Injection Pressure 676 psi.

The deadline for each well to begin injection is hereby extended to March 31, 2006. If such well has not begun injection by that time, its permit to inject shall automatically expire. All other requirements in PMX-224 and all requirements pertaining to each individual well shall remain in full force and effect.

Sincerely

William Jones Jr. PE wvjones@state.nm.us 505-476-3448

cc: Oil Conservation Division - Artesia

Jones, William V

From: MASTRES@aol.com

Sent: Monday, February 28, 2005 10:19 AM

To: WVJones@state.nm.us

Subject: CBS Operating Corp-North Square Lake Unit - C-108 extensions

Will, We have 2 additional C-108's covering our enhanced project at the North Square Lake Unit, that expire on March 31, 2005 (PMX - 224) & April 12,2005 (PMX-225). We have initiated well work for approved C-108 wells covered under both of these orders, but there is no way with the pace of the oilfield these days we will have completed all the work on all the wells covered by these orders.

I respectfully request an extension of 1 year for these 2 orders to allow us sufficient time to complete all the required well work.

We officially commenced injection into several of the new C-108 wells this month, which is historic considering the journey to get to this point.

We have continued to work on our "clean up" efforts regarding non-compliance & surface remediation.

I would appreciate your consideration of this extension request. If you need any additional information please do not hesitate to call.

Sincerely, Manny Sirgo

432-685-0878 office 432-413-0085 cell

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