

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, 2006

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

Re:

PMX-225 Time limit Extension

Eddy County, New Mexico

Dear Mr. Sirgo:

For the reasons outlined in your email sent February 21, 2006, the Division is hereby extending the deadline(s) to begin injection into those wells approved by administrative order PMX-225.

PMX-225 was approved April 12, 2005 with approval for each well individually to expire within one year of the approval date. On February 28, 2005, the Division extended this permit for one additional year – expiration April 12, 2006.

The wells approved for injection by PMX-225 are as follows:

North Square Lake Unit Well No. 12, API No. 30-015-04856 660 FSL & 660 FEL, (Unit P) Section 19, Township 16 South, Range 31 East, NMPM Open Hole Interval: 3065 - 3338, Packer at 3000, Maximum Injection Pressure 613 psi.

North Square Lake Unit Well No. 15, API No. 30-015-04859 660 FSL & 1980 FEL, (Unit O) Section 20, Township 16 South, Range 31 East, NMPM Perforated Interval: 3356 - 3506, Packer at 3256, Maximum Injection Pressure 671 psi.

North Square Lake Unit Well No. 16, API No. 30-015-04860 660 FSL & 660 FEL, (Unit P) Section 20, Township 16 South, Range 31 East, NMPM Perforated Interval: 3354 - 3562, Packer at 3254, Maximum Injection Pressure 670 psi.

North Square Lake Unit Well No. 124, API No. 30-015-24580 1250 FNL & 1031 FWL, (Unit C) Section 31, Township 16 South, Range 31 East, NMPM Perforated Interval: 3040 - 3270, Packer at 2950, Maximum Injection Pressure 608 psi.

North Square Lake Unit Well No. 126, API No. 30-015-04947 1980 FNL & 1980 FEL, (Unit G) Section 31, Township 16 South, Range 31 East, NMPM Perforated Interval: 3129 - 3311, Packer at 3030, Maximum Injection Pressure 625 psi.

North Square Lake Unit Well No. 144, API No. 30-015-04941 1980 FSL & 1680 FWL, (Unit K) Section 31, Township 16 South, Range 31 East, NMPM Perforated Interval: 3032 - 3232, Packer at 3265, Maximum Injection Pressure 606 psi.

North Square Lake Unit Well No. 162, API No. 30-015-24457 660 FSL & 1980 FEL, (Unit O) Section 31, Township 16 South, Range 31 East, NMPM Perforated Interval: 3084 - 3320, Packer at 2984, Maximum Injection Pressure 616 psi.

The deadline for each well to begin injection is hereby extended to April 12, 2007.

If such well has not begun injection by that time, its permit to inject shall automatically expire. All other requirements in PMX-225 and all requirements pertaining to each individual well shall remain in full force and effect.

Sincerely

William V Jones Jr. PE wvjones@state.nm.us

505-476-3448

cc: Oil Conservation Division - Artesia

Jones, William V., EMNRD

From: MASTRES@aol.com

Sent: Tuesday, February 21, 2006 3:03 PM

To: Jones, William V., EMNRD

Subject: CBS Operating - C-108 Extension Request

Will, I met with Daniel Sanchez on Monday Feb 6th in Santa Fe to go over our non compliance wells. We have agreed to focus our well work efforts on the old non compliant injection wells. As a result of this focus we will not be able to get to the new injection work contemplated under orders PMX -224 (expires 3-31-06) and PMX - 225 (expires 4-12-06), within the current order deadline.CBS Operating respectfully request an extension of these orders for 1 year, to allow us work on the non compliant wells. If you need any additional information please do not hesitate to call.

Sincerely,

Manny Sirgo ofc-432.685.0878 cell 432.413.0085 fax 432.685.1945