



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jim Noel
Cabinet Secretary

Karen W. Garcia
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



October 15, 2010

CBS Operating Corporation
PO Box 2236
Midland, TX 79702

Attention: Manny Sirgo III

Re: PMX-223 Time limit Extension
Eddy County, New Mexico

For the reasons outlined in your email sent October 12, 2010, the Division is hereby extending the deadline(s) to begin injection into those wells approved by administrative order PMX-223.

PMX-223 was approved October 17, 2003 and would expire without this extension on October 17, 2010.

The wells approved for injection by PMX-223 are as follows:

North Square Lake Unit Well No. 41, API No. 30-015-04907
1980 FNL & 1980 FWL, (Unit F) Section 29, Township 16 South, Range 31 East, NMPM
Open Hole Interval: 3056 - 3445, Packer at 2960, Maximum Injection Pressure 611 psi.

North Square Lake Unit Well No. 42, API No. 30-015-04908
1980 FNL & 1980 FEL, (Unit C) Section 29, Township 16 South, Range 31 East, NMPM
Open Hole Interval: 3195 - 3482, Packer at 3095, Maximum Injection Pressure 639 psi.

North Square Lake Unit Well No. 43, API No. 30-015-04909
1980 FNL & 660 FEL, (Unit H) Section 29, Township 16 South, Range 31 East, NMPM
Open Hole Interval: 3252 - 3562, Packer at 3150, Maximum Injection Pressure 650 psi.

North Square Lake Unit Well No. 60, API No. 30-015-04914
1980 FSL & 1880 FEL, (Unit J) Section 29, Township 16 South, Range 31 East, NMPM
Perforated Interval: 3300 - 3502, Packer at 3200, Maximum Injection Pressure 660 psi.

North Square Lake Unit Well No. 61, API No. 30-015-04903
1980 FSL & 660 FEL, (Unit I) Section 29, Township 16 South, Range 31 East, NMPM
Open Hole Interval: 3265 - 3433, Packer at 3165, Maximum Injection Pressure 652 psi.

The deadline for each well to begin injection is hereby extended to June 30, 2012.



If such well has not begun injection by that time, its permit to inject shall automatically expire. All other requirements in PMX-223 and all requirements pertaining to each individual well shall remain in full force and effect.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

MARK E. FESMIRE, P.E.
Acting Division Director

cc: Oil Conservation Division – Artesia
File: PMX-223

Warnell, Terry G, EMNRD

From: CBS Operating Corp. [mastres@aol.com]
Sent: Tuesday, October 12, 2010 1:01 PM
To: Warnell, Terry G, EMNRD
Cc: Jones, William V., EMNRD; david.cotner@gmail.com
Subject: CBS Operating Request for Extension to PMX - 223- North Square Lake Unit, Eddy Cty., New Mexico
Attachments: CBS-PMX-224-2010 Extension.docx; CBS-PMX-225-2010 Extension.docx

Terry,

CBS Operating respectfully request an extension to PMX-223 set to expire on October 17, 2010. As per my previous discussion with Will Jones, it is CBS's intent to present to the NMOCD a comprehensive plan to address the 3 outstanding PMX(223, 224 & 225) orders for the North Square Lake Unit. The initial effort contemplated at the time the 3 PMX orders were issued, fell behind as CBS subsequently entered into an Agreed Order with the NMOCD to address the significant number of inactive wells including injection wells, inherited from previous operators. CBS fulfilled those obligations, and has been working diligently since to expand the North Square Lake Unit flood operations.

Previously this year the NMOCD extended PMX-224 & PMX-225 to June 30, 2012. (see attached) CBS respectfully request, if possible, that PMX-223 be extended on a similar basis. If you need any additional information please do not hesitate to contact me.

Sincerely,

M.A. (Manny) Sirgo III

432-685-0878 ofc.