

Bill Richardson

Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



June 28, 2010

CBS Operating Corporation PO Box 2236 Midland, TX 79702

Attention: Manny Sirgo

Re: PMX-225 Time limit Extension

Eddy County, New Mexico

For the reasons outlined in your email sent March 15, 2010, 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, 2004 and would expire without this extension on April 12, 2010.

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 <u>June 30, 2012</u>.

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,

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

cc: Oil Conservation Division - Artesia

CBS OPERATING CORP.

P. O. BOX 2236, MTDLAND, TX 79702 432/685-0878 FAX 685-1945

March 15, 2010

New Mexico EMNR Department Oil Conservation Division 1220 South St Francis Drive Santa Fe, New Mexico 87505

Re: PMX-224 and PMX-225 Time Limit Extension

Eddy County, New Mexico

Attention: Mr. Will Jones

Dear Will:

PMX-224 will expire on March 31, 2010 and PMX-225 will expire on April 12, 2010. CBS Operating Corp. respectfully requests a one-year extension to the orders to facilitate CBS' continuing efforts to increase injection volumes in the North Square Lake Unit.

Attached please find an updated curve for the North Square Lake Unit Grier area.

CBS Operating recently secured additional volumes of make up water for the North Square Lake Unit. An expansion of plant injection capacity is planned which will allow CBS Operating to increase the number of active injection wells utilizing the C-108 wells addressed in the two referenced orders.

Your consideration of this extension request is appreciated. If you need additional information, please contact me.

Sincerely,

M. A. (Manny) Sirgo, III

mastres@aol.com

MAS/pr

Grier Area Production & Injection County, State: Eddy, NM Major Phase: Oil

Oper: CBS Operating Corp. Field: Square Lake