

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-224 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-224.

PMX-224 was approved by the Division on March 31, 2004, and would expire March 31, 2010 without this extension.

The wells approved for injection in 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 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 <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-224 and all requirements pertaining to each individual well shall remain in full force and effect.

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

Sincerely,

cc: Oil Conservation Division - Artesia

CBS OPERATING CORP.

P. O. BOX 2236, MIDLAND, 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