



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

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Mark E. Fesmire, P.E.
Director
Oil Conservation Division

June 1, 2006

Mr. Will Jones, Hearing Examiner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Hand Delivered

Case 13720: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST CBS OPERATING CORP. ASSESSING CIVIL PENALTIES; REQUIRING CBS OPERATING CORP. TO BRING THE WELLS INTO COMPLIANCE WITH 19.15.9.703 NMAC OR PLUG THE WELLS BY A DATE CERTAIN; AND IN THE EVENT OF NON-COMPLIANCE, AUTHORIZING THE DIVISION TO FORFEIT THE APPLICABLE FINANCIAL ASSURANCE AND PLUG THE WELLS; EDDY COUNTY, NEW MEXICO.

Case 13721: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR AN ORDER REQUIRING CBS OPERATING CORP. TO BRING INACTIVE WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC; AUTHORIZING THE DIVISION TO PLUG THE WELLS AND FORFEIT THE APPLICABLE SECURITY IN THE EVENT THE OPERATOR FAILS TO COMPLY; AND ASSESSING AN APPROPRIATE CIVIL PENALTY; EDDY COUNTY, NEW MEXICO.

Dear Mr. Jones:

The two above-captioned cases are currently scheduled for hearing on the June 8, 2006 docket. The Applicant Oil Conservation Division respectfully requests a continuance until the June 22, 2006 docket to give the parties time to discuss whether the issues can be resolved through an agreed compliance order. Counsel for Respondent CBS Operating Corporation, Mr. William F. Carr, concurs in this request.

Very truly yours,

Gail MacQuesten
Assistant General Counsel

Ec: William F. Carr, Holland & Hart, LLP
Tim Gum, Supervisor, District 2
Daniel Sanchez, Enforcement and Compliance Manager