

***CBS OPERATING CORP.***

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

August 19, 2003

State of New Mexico  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Attention: Mr. Richard Ezeanyim

Re: North Square Lake Unit  
Eddy County, New Mexico  
Transmittal of C-108 Application

Mr. Ezeanyim:

As per your request, enclosed please find 13 individual C-108 applications for certain wells located within the North Square Lake Unit.

Data common to all 13 wells has been presented only once and is located by section, and includes all sections except Section III, Section V and Section VI of the NMOCD Form C-108.

Section III is tabbed by each of the individual wells that are being applied for. A separate well data sheet is presented for each separate C-108 applicant well.

Section V is presented by each individual C-108 applicant well. The exhibit consists of an "Area of Review Map" for all wells located within a one-half mile radius of each C-108 applicant well.

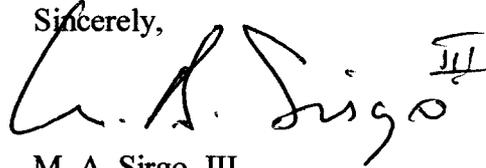
Section VI is presented by each individual C-108 applicant well. There are two exhibits for each well. The first is a tabular summary of pertinent data for all wells located within a C-108 applicant well's "Area of Review". The second exhibit is a schematic diagram for each plugged well that is located within a C-108 applicant well's "Area of Review". This schematic reflects all known prior plugging operations, and reflects the location of the base of the red bed, top and base of the salt intervals in each plugged well.

Preparation of this C-108 application included CBS Operating Corp.'s contracting Ritter Environmental & Geotechnical Services, as well as R T. Hicks Consultants, Ltd. to specifically study the potential of any subsurface sources of drinking water located within the unit area. Additionally, Ritter reviewed the Salado section within the unit boundary to determine any potential issues resulting from the proposed pressure maintenance activity. The reports prepared by Ritter and Hicks are located in Section VIII of the application.

CBS Operating requests that once the Oil Conservation Division has had time to review the 13 applications, that CBS meet with the NMOCD to address any issues or questions that may arise.

If any additional information is needed prior to then, please do not hesitate to call. Your consideration of these applications is greatly appreciated.

Sincerely,

A handwritten signature in black ink that reads "M. A. Sirgo, III". The signature is written in a cursive style with a large initial "M" and "S".

M. A. Sirgo, III

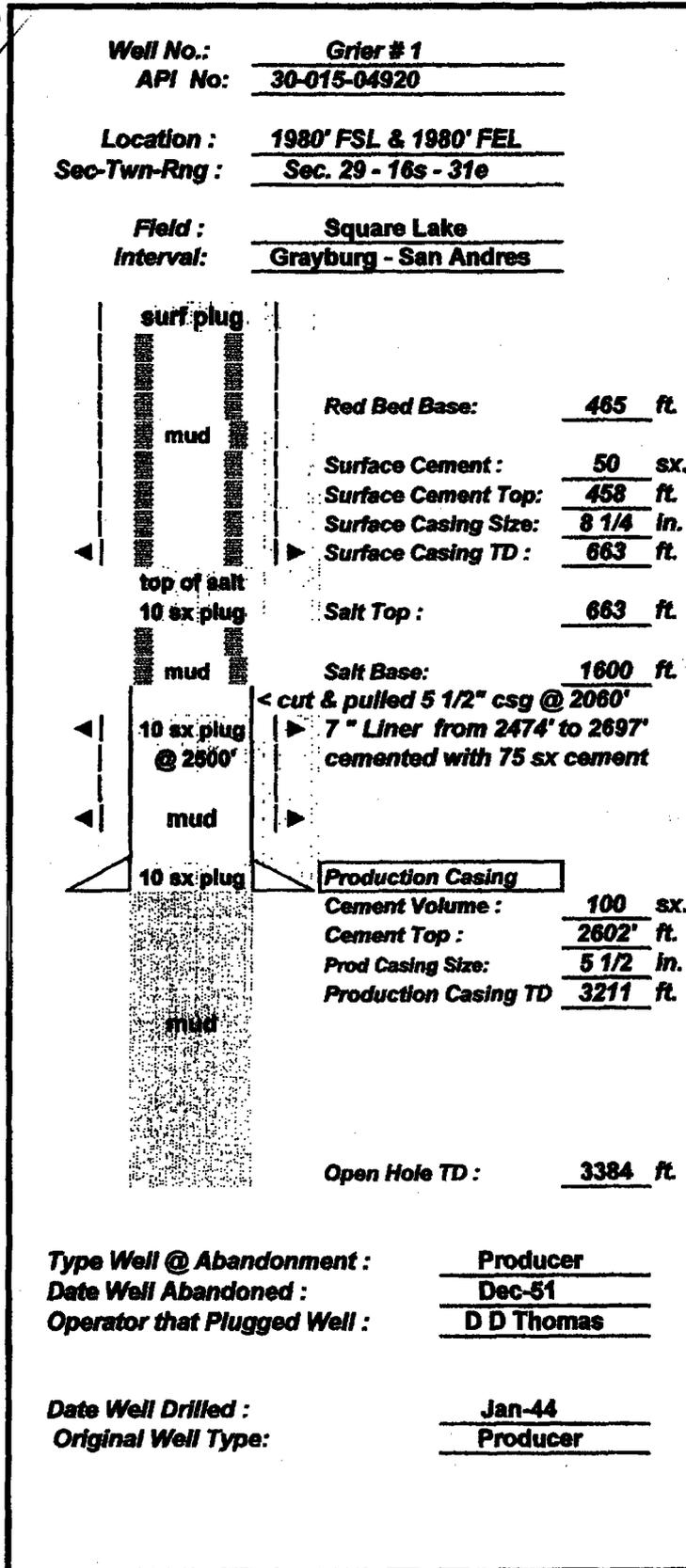
MAS/pr

Enclosures

AREA OF REVIEW  
Wellbore

WELLBORE  
DIAGRAM  
PROVIDED  
10/16/03  
BY

CBS OPERATING



TYPICAL  
TOPS  
IN  
THIS  
AREA

Geol Tops per 1 Box

Salado	525
BX	1360
TRUS	1810
Queen	2415
Grayburg	2833
San Andres	3133

## FORMATION RECORD

FROM	TO	THICKNESS IN FEET	FORMATION
0	30		Sand
30	280		Red Bed
280	460		Anhydrite
460	465		Water Sand
465	1320		Salt
1320	2370		Anhydrite
2370	2400		Red Sand
2400	2781		Anhydrite
2781	3012		Lime
3012	3018		Sand
3018	3040		Lime

TYPICAL  
Cable Tool  
RECORDS