



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

Case No. 12112

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

July 31, 2003

Mr. David Cotner  
CBS Operating Corporation  
P.O. Box 2236  
Midland, Texas 79702-2236

Re: North Square Lake Unit Pressure Maintenance Project Eddy County, New Mexico

Dear Mr. Cotner:

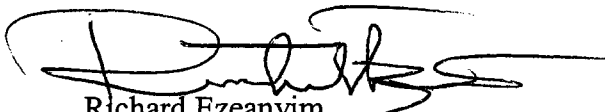
Reference is made to the letter dated March 5, 2003, from the Oil Conservation Division (OCD) to CBS Operating Corporation (CBS). In that letter OCD directed CBS to cease injection into the North Square Lake Unit (NSLU) wells No. 102 (API No. 30-015-20185) and 145 (API No. 30-015-04948), located respectively in Units A and J of Section 31, Township 16 South, Range 31 East, NMPM, until CBS complies with the requirements of the division order No. R-11435-A issued May 30, 2002.

On July 30, 2003, CBS met with OCD and presented evidence to demonstrate that remedial work required by that order would not be necessary for the area of review wells. After considering the initial evidence presented, OCD has decided to allow CBS to continue to inject into the NSLU wells No. 102 and 145 pending submittal of form C-108 on several of the wells in the North Square Lake Unit.

Please submit form C-108 for these wells in the unit no later than August 20, 2003.

If you have any questions, please contact me at (505) 476-3467.

Sincerely,

  
Richard Ezeanyim  
Chief Engineer

Cc: File-Case No. 12112 ✓  
Mr. Tim Gum  
Mr. William F. Carr