



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

5/25/2004

CBS Operating Corp
PO Box 2236
Midland, TX 79702

SECOND NOTICE OF NON- COMPLIANCE

RE: Attached List

Dear Sirs:

This second directive is to notify you that these wells are still in violation of OCD Rules.

On 2/17/2004 an inspection was performed on the above well(s) and it was found the well(s) failed to meet mechanical integrity standards **and were required to be shut – in.** A review of our records indicates no correspondence has been received which indicates the well(s) have been brought into compliance. The well(s) must be **returned to physical compliance on or before the date indicated below.**

In the event that a satisfactory response is not received to this letter of direction by June 25, 2004, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of OCD rules.

Sincerely,

Gerry Guye
Compliance Officer
NMOCD – District II

Comply Master by Inspector

Well Filter

(Compliance Acheived Date is

Inspector	Dt_Viol	Company	Viol_Typ	API_WellNo	SNC	Dt_CompRe	Well Name and	Type	Status	Location	Dt_Mod	Comp. Acheived
-----------	---------	---------	----------	------------	-----	-----------	---------------	------	--------	----------	--------	----------------

GEG

February 2004

GEG0404835413	2/17/2004	CBS OPERATING	MI	30015206110000	N	5/22/2004	LOCO HILLS A	006	I	S	D 15 17 30	2/19/2004
GEG0404839106	2/17/2004	CBS OPERATING	MI	30015040560000	N	5/22/2004	BURNHAM	001D	I	A	F 2 17 30	2/19/2004
GEG0404839486	2/17/2004	CBS OPERATING	MI	30015040580000	N	5/22/2004	BURNHAM	003A	I	S	H 2 17 30	2/19/2004
GEG0404840692	2/17/2004	CBS OPERATING	MI	30015040480000	N	5/22/2004	BURNHAM	002A	I	A	N 2 17 30	5/25/2004
GEG0404841347	2/17/2004	CBS OPERATING	MI	30015203150000	N	5/22/2004	FEDERAL KK	001	I	S	P 3 17 30	2/19/2004
GEG0404843079	2/17/2004	CBS OPERATING	MI	30015039250000	N	5/22/2004	NORTH SQUARE LAKE	069	I	A	O 25 16 30	2/19/2004
GEG0404843498	2/17/2004	CBS OPERATING	MI	30015108630000	N	5/22/2004	NORTH SQUARE LAKE	185	I	A	A 36 16 30	2/19/2004
GEG0404847264	2/17/2004	CBS OPERATING	MI	30015048640000	N	5/22/2004	NORTH SQUARE LAKE	008	I	A	I 20 16 31	2/19/2004
GEG0405453348	2/17/2004	CBS OPERATING	MI	30015040660000	N	5/22/2004	FEDERAL KK	003	I	A	J 3 17 30	2/26/2004
GEG0405554356	2/17/2004	CBS OPERATING	MI	30015040480000	N	5/22/2004	BURNHAM	002A	I	A	N 2 17 30	2/24/2004
GEG0405556295	2/17/2004	CBS OPERATING	MI	30015050340000	N	5/22/2004	FEATHERSTONE	005	I	S	3 2 17 31	2/24/2004
GEG0405556684	2/17/2004	CBS OPERATING	MI	30015049490000	N	5/22/2004	NORTH SQUARE LAKE	127	I	A	H 31 16 31	3/10/2004

Tuesday, May 25, 2004

Page 1 of 1