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<input type="checkbox"/> Hand Delivered Received by

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

NOTICE OF INCIDENTS OF NONCOMPLIANCE

Identification	
IID	
Lease	NMLC063105
CA	
Unit	NMNM101360X
PA	

Bureau of Land Management Office CARLSBAD FIELD OFFICE				Operator CBS OPERATING CORPORATION			
Address 620 E GREENE STREET CARLSBAD NM 88220				Address P O BOX 2236 MIDLAND TX 79702			
Telephone 575-234-5994				Attention			
Inspector BLAKLEY				Attn Addr 30-015-04899			
Site Name NORTH SQUARE LAKE UNIT	Well or Facility 46	1/4 1/4 Section SWNE 28	Township 16S	Range 31E	Meridian NMP	County EDDY	State NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

Date	Time (24 - hour clock)	Violation	Gravity of Violation
11/30/2011		43CFR 3162.1, (a)	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
12/31/2011			43 CFR 3163.1()

Remarks

Failure to comply with the Conditions of Approval of the Plug and Abandonment Procedure approved for this well.
Time line established on extention approval has also not been met.

(Remarks continued on following page(s).)

When violation is corrected, sign this notice and return to above address.

Company Representative Title	Signature	Date
Company Comments		

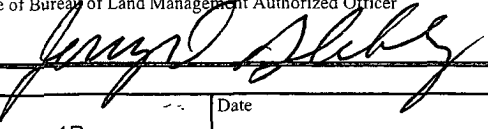
WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer				Date	Time
				11/30/11	08:00
FOR OFFICE USE ONLY					
Number 1P	Date	Assessment	Penalty 1P	Termination	
Type of Inspection PD			PD		

BLM Remarks, continued

For compliance: Plug and abandon this well By 12/31/2011

43CFR 3162.1 General requirements.

(a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.



API Well Number Banner

Report Description

This report shows a Well's API Number in Barcode format for purposes of scanning. The Barcode format is Code 39.



30015049170000

30 15 4917

NORTH SQUARE LAKE UNIT No.081

CBS OPERATING CORP

2/23/2012

OCD-ARTESIA

Number 12JB060

Page 1 of 2

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BUREAU OF LAND MANAGEMENT

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Identification

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CA	
Unit	NMNM101360X
PA	

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Telephone 575-234-5994				Attention			
Inspector BLAKLEY				Attn Addr 30-015-04917			
Site Name NORTH SQUARE LAKE UNIT	Well or Facility 81	1/4 1/4 Section SESW 29	Township 16S	Range 31E	Meridian NMP	County EDDY	State NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

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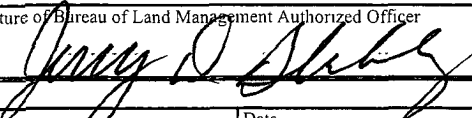
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