



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

November 2, 2005

Division Order No. IPI-259

CBS Operating Corporation
P.O. Box 2236
Midland, Texas 79702

Attention: Mr. Manny Sirgo

RE: Injection Pressure Increase
North Square Lake Unit Pressure Maintenance Project
Eddy County, New Mexico

RECEIVED
NOV 18 2005
OCC-ARTERIA

Dear Mr. Sirgo:

Reference is made to your request received by the Division on November 2, 2005, to increase the surface injection pressure on the North Square Lake Unit Well No. 3 within the North Square Lake Unit Pressure Maintenance Project. This request is based on step rate tests conducted on this well on November 1, 2005. The results of the step rate test show that an increase in the surface injection pressure for this well is justified and will not result in the fracturing of the injection formation and confining strata.

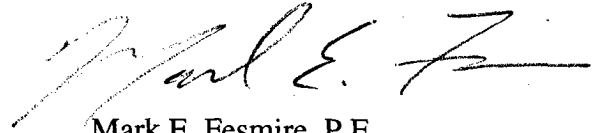
You are therefore authorized to increase the surface injection pressure on the following well:

WELL NAME & NUMBER	MAXIMUM SURFACE INJECTION PRESSURE
North Square Lake Unit Well No. 3 API No. 30-015-20183 Unit J, Section 19, T-16 South, R-31 East, NMPPM, Eddy County, New Mexico	1562 PSIG

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected fluid is not being confined to the injection zone or is endangering any fresh water aquifers.

Injection Pressure Increase
CBS Operating Corporation
November 2, 2005
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Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", with a stylized flourish at the end.

Mark E. Fesmire, P.E.
Division Director

cc: Oil Conservation Division - Artesia
File: PMX-224