

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**NMOCD - ACOI 133-B**

**IN THE MATTER OF FINLEY RESOURCES INC.,**

**Respondent.**

**AMENDED  
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 4 of Agreed Compliance Order 133, the Director of the Oil Conservation Division ("OCD") hereby amends that order as follows:

**FINDINGS**

1. ACOI 133 required Finley Resources Inc. ("Operator") to return at least eight of the wells identified in the Order to compliance with OCD Rule 201 by December 15, 2006 (the first period). Operator returned the following eight wells identified in the Order to compliance in the first period:

- |                                |              |
|--------------------------------|--------------|
| • LW Whilte #001               | 30-025-04393 |
| • State E 28 #002              | 30-025-04360 |
| • Magruder #002                | 30-025-04364 |
| • Magruder #004                | 30-025-04366 |
| • Federal D #002               | 30-025-04337 |
| • LC Fopeano Federal AC 1 #004 | 30-025-04348 |
| • Warrior State AK #003        | 30-025-03404 |
| • State E-33 #002              | 30-025-04380 |

2. Because Operator met its eight-well goal for the first 6-month period, the OCD amended the Order to extend its terms by 6 months, and required Operator to return eight additional wells identified in the Order to compliance by June 15, 2007 to meet its goal for the second period.

3. Operator returned the following ten wells identified in the Order to compliance in the second period:

- |                    |              |
|--------------------|--------------|
| • Federal D #004   | 30-025-04338 |
| • Federal D #006   | 30-025-04340 |
| • Federal D #007   | 30-025-04341 |
| • LW Whilte A #001 | 30-025-25380 |
| • State W E E #001 | 30-025-03463 |

- State Web Battery 3 #005 30-025-03488
- Warrior State #001 30-025-23943
- Warrior State #002 30-025-24164
- Warrior State AK #002 30-025-03403
- Warrior State AK #004 30-025-03405

4. The following wells identified in the Order are still operated by Operator and were not returned to compliance in the first or second periods:

- Aztec 27 State #001 30-025-26734
- Federal D #003 30-025-04352
- Seale Federal #002 30-025-04395
- State E 28 #004 30-025-04362
- State W E D #001 30-025-04353

### CONCLUSIONS

1. Operator has met its goal of returning eight additional wells to compliance in the second period, and exceeded that goal by two wells.

2. The OCD should amend ACOI 117 to extend its terms through December 15, 2007 and require Operator to return to compliance by that date all wells identified in Findings Paragraph 4, above, that are still operated by the Operator.

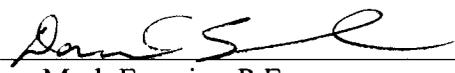
### ORDER

1. Operator shall return to compliance by December 15, 2007 the wells identified in Findings Paragraph 4, above, that are still operated by Operator.

2. Operator shall file a written compliance report identifying the well(s) it returned to compliance in the third period, and stating how the well(s) were returned to compliance (returned to production or other beneficial use; wellbore plugged; or placed on approved temporary abandonment status). The report must be mailed or e-mailed to the OCD's Enforcement and Compliance Manager so that it is received by December 15, 2007.

3. The terms of ACOI 117 otherwise remain in effect.

Done at Santa Fe, New Mexico this 23<sup>rd</sup> day of May, 2007

By:   
 Mark Fesmire, P.E.  
 Director, Oil Conservation Division