

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

**NMOCD - ACOI 163-A**

**IN THE MATTER OF GP II ENERGY, INC.,**

**Respondent.**

**AMENDED  
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 5 of Agreed Compliance Order 163 (“ACOI 163” or “Order”), the Director of the Oil Conservation Division (“OCD”) hereby amends that Order as follows:

**FINDINGS**

1. ACOI 163 requires GP II Energy, Inc. (Operator) to return at least 5 of the identified production wells and 2 of the identified injection wells to compliance as specified in the Order by October 20, 2007, and file a compliance report by that date.

2. ACOI 163 further provides that if Operator returns the required number of wells to compliance by October 20, 2007, and files a timely compliance report, the OCD shall issue an amendment extending the terms of ACOI 163 for an additional six-month period, requiring Operator to return an additional 7 injection wells to compliance by that deadline.

3. Operator filed a timely compliance report, and the OCD has verified that OCD records indicate that Operator has returned the following 2 identified injection wells and 5 identified production wells to compliance:

- |                   |                           |
|-------------------|---------------------------|
| 1. NM M State #44 | 30-025-10371 (injection)  |
| 2. NM M State #38 | 30-025-10525 (injection)  |
| 3. NM M State #13 | 30-025-10373 (production) |
| 4. NM M State #73 | 30-025-24458 (production) |
| 5. NM M State #57 | 30-025-24511 (production) |
| 6. NM M State #59 | 30-025-23495 (production) |
| 7. NM M State #68 | 30-025-24299 (production) |

**CONCLUSIONS**

1. Operator has met its goal of returning 2 identified injection wells and 5 identified production wells to compliance by October 20, 2007.

2. The OCD should amend ACOI 163 to extend its terms through April 20, 2008 and require Operator to return to compliance by that date 7 additional injection wells identified in ACOI 163.

**ORDER**

1. Operator shall return to compliance by April 20, 2008 7 injection wells identified in ACOI 163 that are not identified in Findings Paragraph 3, above.

2. Operator shall file a written compliance report by mail or e-mail so that it is received by the OCD's Compliance and Enforcement Manager by April 20, 2008.

3. The terms of ACOI 163 otherwise remain in effect.

Done at Santa Fe, New Mexico this 25<sup>th</sup> day of April, 2007

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