

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

NMOCD - ACOI 160-C

IN THE MATTER OF LEGACY RESERVES OPERATING LP,

Respondent.

**AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 3 of Agreed Compliance Order 160, as amended (“Order”), the Director of the Oil Conservation Division (“OCD”) hereby amends that Order as follows:

FINDINGS

1. The Order requires Legacy Reserves Operating LP (“Operator”) to return to compliance with OCD Rules 703 and 201 the Langlie Mattix Penrose Sand Unit #331, API 30-025-10552 and two other wells identified in Exhibit A, by March 30, 2008, and file a compliance report by that date.

2. The Order further provides that if Operator returns to compliance with OCD Rules 703 and 201 the Langlie Mattix Penrose Sand Unit #331, API 30-025-10552 and two other wells identified in Exhibit A by March 30, 2008, and files a timely compliance report, the OCD shall issue an amendment extending the terms of the Order, requiring Operator to return to compliance by September 30, 2008 six wells identified in Exhibit A to the Order.

3. Operator filed a timely compliance report, and the OCD has verified that OCD records indicate that Operator has returned the Langlie Mattix Penrose Sand Unit #331, 30-025-10552, and the following six wells identified in Exhibit A to compliance:

Andrew Arnquist Estate #002	30-015-21942	Producer
Andrew Arnquist Estate #003	30-015-22041	Producer
Andrew Arnquist Estate #004	30-015-22040	Producer
Denton #001	30-025-25495	Producer
Langlie Mattix Penrose Sand Unit #322	30-025-01567	Injection
Langlie Mattix Penrose Sand Unit #353	30-025-10566	Injection

CONCLUSIONS

1. Operator met its goal of returning the Langlie Mattix Penrose Sand Unit #331, API 30-025-10552 and two other wells identified in Exhibit A to compliance by March 30, 2008.
2. The OCD should amend ACOI 160 to require Operator to return to compliance by September 30, 2008 two wells identified in Exhibit A to the Order to meet its goal for the third period.

ORDER

1. Operator shall return to compliance by September 30, 2008, two wells identified in Exhibit A to the Order.
2. Operator shall file a written compliance report by September 30, 2008 identifying the wells returned to compliance in the third period, identifying the wells by name and API number, and indicating how the well was returned to compliance (returned to production, injection or other beneficial use; wellbore plugged; placed on approved temporary abandonment status). The report must be mailed or e-mailed to the OCD's Compliance and Enforcement Manager so that it is received by the September 30, 2008 due date.
3. The terms of the Order otherwise remain in effect.

Done at Santa Fe, New Mexico this 31st day of March, 2008

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