

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

ACO No. 225-B

IN THE MATTER OF DENNIS LANGLITZ,

Respondent.

**AMENDED AGREED ORDER DIRECTING COMPLIANCE
AND ASSESSING CIVIL PENALTY**

Pursuant to Ordering Paragraph 5 of Agreed Compliance Order No. 225, the Director of the Oil Conservation Division ("OCD") hereby amends that Order as follows:

FINDINGS

1. Ordering Paragraph 2(b) requires Dennis Langlitz ("Operator") to return the subject wells to compliance with OCD rules by June 30, 2008. To be in compliance, the subject wells must have the authority to inject, their mechanical integrity must be tested, and they must have passed mechanical integrity tests.
2. By letter dated June 25, 2008 Operator through counsel requested an extension until July 31, 2008 in which to meet the requirements of Ordering Paragraph 2(b). Operator explained that he was not allowed to inject into the wells because he was out of compliance with OCD's financial assurance requirements as to the Saladar Unit #001 well. Operator represented that he had obtained the required financial assurance, but needed the additional time to complete the mechanical integrity tests.
3. The OCD has informed Operator's counsel that Operator is out of compliance with financial assurance requirements as to three wells: The Saladar Unit #001, the Saladar Unit #002, and the Saladar Unit #011. The three wells are fee wells. Because Operator does not have a blanket financial assurance in place, all three fee wells must be covered by single-well financial assurances. Although Operator has posted single well financial assurances for the three wells, the amount posted is insufficient because the amounts required for single well financial assurances increased effective January 1, 2008. See 19.15.3.101 NMAC.
4. Operator has represented through counsel that he will immediately take action to secure the appropriate financial assurances for the three wells, and will then complete the actions required under Ordering Paragraph 2(b).
5. Ordering Paragraph 5 provides that OCD may approve an Operator's request for an extension for "good cause."

CONCLUSIONS

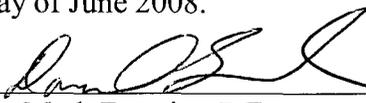
1. Operator has demonstrated sufficient good cause for the granting of the extension.

2. Ordering Paragraph 2(b) is hereby amended to require Operator to complete the actions required by that paragraph by July 31, 2008.

ORDER

1. Operator shall complete the actions required by Ordering Paragraph 2(b) by July 31, 2008.
2. No further extensions will be granted.
3. The terms of Agreed Compliance Order No. 225 otherwise remain in effect.

Done at Santa Fe, New Mexico this 26th day of June 2008.

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