

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

NMOCD ACOI 208-A

IN THE MATTER OF HERMAN L. LOEB LLC,

Respondent.

**AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 3 of Agreed Compliance Order 208 (“ACOI 208” or “Order”), the Director of the Oil Conservation Division (“OCD”) hereby amends that order as follows:

FINDINGS

1. ACOI 208 requires Herman L. Loeb LLC (“Operator”) to return at least four of the wells identified in the Order to compliance with OCD Rule 19.15.25.8 NMAC by November 16, 2009 and file a compliance report by that date.

2. ACOI 208 provides that if Operator returns at least four of the wells identified in the Order to compliance with OCD Rule 19.15.25.8 NMAC by November 16, 2009 and files a compliance report by that date, and is in compliance with OCD’s additional financial assurance requirements, the OCD shall issue an amendment extending the terms of ACOI 208 for a second six-month period, requiring Operator to return an additional four wells to compliance by that deadline.

3. ACOI 208 further provides that if, in any six-month period, Operator returns more wells to compliance than the number required under this Order for that six-month period, the wells in excess of the number required will count towards the Operator’s requirements for the next six-month period.

4. Operator filed a timely compliance report, and the OCD has verified that OCD records indicate that Operator has returned the following eight wells identified in the Order to compliance:

- 30-025-09794 ASCARTE D 24 #001
- 30-025-23575 COOK #003
- 30-025-11676 HADFIELD #001
- 30-025-11675 HADFIELD #002
- 30-025-11684 LANEHART #003
- 30-025-11623 SHOLES B 19 #001
- 30-025-27143 SHOLES B 19 #004

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- 30-025-09459 STEVENS A 34 #001

CONCLUSIONS

1. Operator has returned eight wells to compliance, exceeding by four wells its goal of returning at least four of the wells identified in the Order to compliance by November 16, 2009.
2. The OCD should amend ACOI 208 to extend its terms through November 16, 2010 and require Operator to return to compliance by that date at least four additional wells from the Order not identified in Findings Paragraph 4, above, to complete its goal of returning at least four wells to compliance in the third six-month period.

ORDER

1. Operator shall return to compliance by November 16, 2010 at least four wells identified in the Order that are not identified in Findings Paragraph 4, above.
2. Operator shall file a written compliance report by November 16, 2010 identifying the well(s) it returned to compliance in the third six-month period, stating the date the well(s) were returned to compliance, 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 (email: daniel.sanchez@state.nm.us) and Assistant General Counsel (email: sonny.swazo@state.nm.us) so that it is received by compliance deadline November 16, 2010.
3. The terms of ACOI 208 otherwise remain in effect.

Done at Santa Fe, New Mexico this 17th day of November 2009

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