

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

NMOCD ACOI 202-D

IN THE MATTER OF ENERVEST OPERATING, LLC,

Respondent.

**FOURTH AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 4 of Agreed Compliance Order 202, the Director of the Oil Conservation Division (“OCD”) hereby amends that order as follows:

FINDINGS

1. Agreed Compliance Order 202 (“ACOI 202” or “Order”) required EnerVest Operating, LLC (“Operator”) to return to compliance with OCD Rule 201 at least six of the wells identified in the Order by March 9, 2009 and file a compliance report by that date.

2. ACOI 202 provides that when the OCD receives a timely compliance report indicating that Operator has returned at least six wells to compliance and verifies the accuracy of that report, and verifies that Operator is in compliance with OCD’s financial assurance requirements, the OCD shall issue an amendment to the Order extending its terms for an additional six-month period.

3. ACOI 202 further provides that if, in any six-month period, Operator returns more wells to compliance than the number required under the Order for that six-month period, the wells in excess of the number required will count towards the Operator requirements for the next six-month period.

4. Operator filed a timely compliance report for the first period, and OCD records verified that Operator returned the following seven wells identified in the Order to compliance by March 9, 2009:

- | | | |
|---|----------------------------------|--------------|
| ● | CX PLAINS #013 | 30-005-62253 |
| ● | MABEL #003 | 30-005-60777 |
| ● | MONA #001 | 30-005-60762 |
| ● | PAUL LR #005 | 30-005-20816 |
| ● | PLAINS 29 #001 | 30-005-60875 |
| ● | WESTERN RESERVES 34 FEDERAL #001 | 30-005-20708 |
| ● | WESTERN RESERVES 34 FEDERAL #003 | 30-005-20739 |

5. Because Operator met its compliance goal of six wells for the first six-month period, and exceeded that goal by one well, the OCD amended the Order to extend its terms by six months, requiring Operator to return five additional wells identified in the Order to compliance with OCD Rule 201 by September 9, 2009, and file a compliance report by that date.

6. Ordering Paragraph 5 of ACOI 202 provides that if Operator fails to meet its compliance goal in any applicable six-month period, Operator may be subject to penalties and the OCD may exercise its discretion and not issue an amendment.

7. Operator filed a timely compliance report for the second period, and OCD records verified that Operator returned the following three wells identified in the Order to compliance by the deadline:

- CB PLAINS #003 30-005-61906
- LOVELESS LQ STATE #006 30-005-20829
- MABEL #005 30-005-61908

8. OCD records verified that the following two wells identified in Operator's compliance report were returned to compliance by Operator for the second period a short time after the compliance deadline:

- CX PLAINS #020 30-005-62315
- MABLE #001 30-005-60707

9. Although Operator failed to bring five wells to compliance for the second period by the compliance deadline, OCD waived the penalty and exercised its discretion and amended ACOI 202, extending its terms for an additional six-month period and requiring Operator to bring six additional wells identified in the Order into compliance by March 9, 2010.

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

- LOVELESS LQ STATE #004 30-005-20827
- LOVELESS LQ STATE #007 30-005-20832
- MESA AAF STATE #001 30-025-29827
- MYCO B-B STATE #010 30-015-25424
- WEST LOVING UNIT #001 30-015-28828
- WOODPECKER SY STATE #004 30-025-27942

CONCLUSIONS

1. Operator has met its goal of returning six additional wells identified in the Order to compliance by March 9, 2010.

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2. The OCD should amend ACOI 202 to extend its terms through September 9, 2010, requiring Operator to return to compliance by that date six additional wells identified in the Order, and file a compliance report by that date.

ORDER

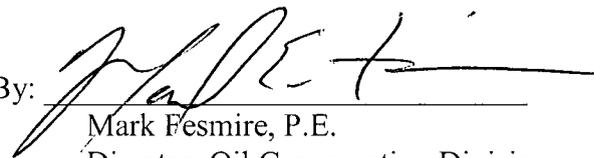
1. Operator shall return to compliance by September 9, 2010 six additional wells identified in the Order that are not identified in Findings Paragraph 4, 7, 8, and 10, above.

2. Operator shall file a written compliance report by September 9, 2010 identifying the well(s) it returned to compliance in the fourth and final 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 of September 9, 2010.

3. The terms of ACOI 202 otherwise remain in effect.

Done at Santa Fe, New Mexico this 9th day of March, 2010

By:



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