

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

NMOCD ACOI 208-B

IN THE MATTER OF HERMAN L. LOEB LLC,

Respondent.

**SECOND AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 4 of Agreed Compliance Order 208 (“ACOI 208” or “Order”), the Acting-Director of the Oil Conservation Division (“OCD”) hereby amends that order as follows:

FINDINGS

1. ACOI 208 required 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 provided that if Operator returned 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 filed a compliance report by that date, and was in compliance with OCD’s additional financial assurance requirements, the OCD would 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 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 for the first period, and OCD records verified that Operator 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

- 30-025-09459 STEVENS A 34 #001

5. Because Operator met its four wells compliance goal for the first period and four additional wells compliance goal for the second period, OCD amended ACOI 208 to extend its terms by one year, requiring Operator to bring four additional wells identified in Exhibit "A" of the Order to compliance by November 16, 2010.

6. Operator has filed a timely compliance report for the third period, and OCD records indicate that Operator has returned the following thirteen wells identified in the Order to compliance:

- 30-025-09725 ARNOTT RAMSEY A #003
- 30-025-11686 AZTEC #001
- 30-025-09692 CITIES SERVICE FEDERAL #002
- 30-025-09779 EXXON #001
- 30-025-03510 GULF ORCUTT #001
- 30-025-03511 GULF ORCUTT #002
- 30-025-11813 LANEHART A #001
- 30-025-26760 POSSH #001
- 30-025-26631 SHAHAN #001
- 30-025-11875 SHAHAN 33 #001
- 30-025-11877 SHAHAN 33 #003
- 30-025-09707 STATE W #001
- 30-025-25429 WOOLWORTH #002

CONCLUSIONS

1. Operator returned thirteen wells to compliance by November 16, 2010, meeting its four additional wells compliance goal for the third period and four additional wells compliance goal for the fourth period.

2. The OCD should issue an amendment to ACOI 208 extending its terms through May 16, 2011. Operator does not need to file a compliance report at the end of the term because it has already met its compliance goals under the Order.

ORDER

1. ACOI 208 is extended through May 16, 2011.
2. The terms of ACOI 208 otherwise remain in effect.

Done at Santa Fe, New Mexico this 17th day of November, 2010

By: _____

Mark Fesmire, P.E.
OCD Acting-Director