

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

NMOCD – ACO- 266-A

IN THE MATTER OF MAS OPERATING CO.,  
Respondent.

AMENDED  
AGREED COMPLIANCE ORDER

MAS Operating Co. (MAS) has demonstrated good faith in taking actions to return the wells identified in ACO-266 to compliance by reporting production on the Cooper #001, filing a notice of intent to temporarily abandon the OA Woody #001, and filing a notice of intent to plug the Rose Eaves #002. In addition, MAS has filed an application to amend its injection permit for the Knowles SWD #2 to address compliance issues with that well. Pursuant to Paragraph 10 of ACO-266, the Director of the Oil Conservation Division (OCD) amends ACO 266 to extend its terms as follows:

1. Bullet point 4 of Paragraph 7 of ACO-266 is replaced with the following:

Return each well to compliance with 19.15.25.8 NMAC by November 1, 2011 by taking one of the following actions: plugging and abandoning the well and obtaining its release pursuant to 19.15.25.10 and 19.15.25.11 NMAC; returning the well to production or injection and reporting that production or injection on a C-115, or placing the well on approved temporary abandonment pursuant to 19.15.25.13 NMAC.

2. Paragraph 8 of ACO-266 is replaced with the following:

If any of the wells MAS acquires from Platinum remains out of compliance with any provision of this order on November 2, 2011, MAS agrees that the OCD may plug and abandon the non-compliant well(s) and forfeit the applicable financial assurances. **MAS further agrees that it waives any right to notice and hearing prior to that plugging and forfeiture.**

3. The remaining provisions of ACO 266 remain in full force and effect.

Done at Santa Fe, New Mexico this 27 day of April 2011

By:   
Jami Bailey  
Director, Oil Conservation Division