

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

NMOCD - ACOI 124-A

IN THE MATTER OF JOHN R. STEARNS, DBA STEARNS,

Respondent.

**AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 3 of Agreed Compliance Order 124 (hereinafter "Order"), between John R. Stearns, dba Stearns ("hereinafter "Operator"), and the Oil Conservation Division (hereinafter "OCD"), the Director of the OCD hereby amends that Order as follows:

FINDINGS

1. The Order requires Operator to return to compliance with OCD Rule 201 at least six of the wells identified in the Order by September 25, 2006, and file a compliance report by that date.

2. The Order further provides that if Operator returns to compliance with OCD Rule 201 at least six of the wells identified in the Order by September 25, 2006, and files a timely compliance report, the OCD shall issue an amendment extending the terms of the Order for an additional six-month period, and require Operator to return an additional six wells to compliance.

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

- | | |
|-------------------------|--------------|
| • Amoco Federal #001 | 30-005-20609 |
| • Amoco Federal #002 | 30-005-20620 |
| • Hahn A Federal #002 | 30-005-20802 |
| • Hahn Federal #007 | 30-005-20774 |
| • Miller Federal #005 | 30-005-20122 |
| • Mountain Federal #002 | 30-041-20462 |

CONCLUSIONS

1. Operator has met its goal of returning six of the wells identified in the Order to compliance by September 25, 2006.

2. The OCD should amend the Order to extend its terms through March 25, 2007 and require Operator to return to compliance by that date six wells identified in the Order that are not identified in Findings Paragraph 3, above.

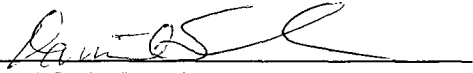
ORDER

1. Operator shall return to compliance by March 25, 2007 six wells identified in the Order that are not identified in Findings Paragraph 3, above.

2. Operator shall file a compliance report by March 25, 2007 using the Oil Conservation Division's web-based on-line application.

3. The terms of Agreed Compliance Order 124 otherwise remain in effect.

Done at Santa Fe, New Mexico this 16th day of October, 2006

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