

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

NMOCD - ACOI 103-C

IN THE MATTER OF BP AMERICA PRODUCTION COMPANY,

Respondent.

**THIRD AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraphs 3 and 4 of Agreed Compliance Order 103 as amended (“ACOI 103” or “Order”), the Director of the Oil Conservation Division (“OCD”) hereby amends that Order as follows:

FINDINGS

1. ACOI 103 required BP America Production Company (“Operator”) to return to compliance with OCD Rule 201 at least eleven of the wells identified in Exhibit A by August 10, 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 eleven of the wells identified in Exhibit A by August 10, 2006, and files a timely compliance report, the OCD shall issue an amendment extending the terms of ACOI 103 for an additional six-month period, requiring Operator to return an additional 11 wells to compliance by that deadline. If Operator continues to return wells to compliance at a rate of at least 11 wells each six-month period, OCD shall continue to issue amendments to the Order extending its term for additional six-month periods, provided that the total length of this Order, including the initial six-month period and any amendments, shall not exceed two years.

3. Operator filed a timely compliance report by August 10, 2006, and the OCD verified that OCD records indicate that Operator returned the following 21 wells identified in Exhibit A to compliance:

1. Empire ABO Unit #009G	30-015-00898
2. Empire ABO Unit #006D	30-015-00900
3. Empire ABO Unit #022A	30-015-01646
4. Empire ABO Unit #027E	30-015-02605
5. Empire ABO Unit #023D	30-015-02628
6. Empire ABO Unit #291	30-015-21541
7. Empire ABO Unit #232	30-015-21737
8. Empire ABO Unit #202	30-015-21783
9. Empire ABO Unit #361A	30-015-21963

10. Empire ABO Unit #121	30-015-22062
11. Empire ABO Unit #341A	30-015-22227
12. Empire ABO Unit #281	30-015-22597
13. Empire ABO Unit #352F	30-015-22628
14. Empire ABO Unit #362	30-015-22630
15. Empire ABO Unit #193	30-015-22657
16. Empire ABO Unit #171	30-015-22815
17. Washington 33 State #017	30-015-22821
18. Empire ABO Unit #241	30-015-23547
19. Empire ABO Unit #211A	30-015-23548
20. West Brushy 4 Federal #003	30-015-32196
21. B&C 25 Federal #001	30-015-30842

4. The OCD issued an amendment, ACOI 103-A, requiring Operator to return to compliance by February 10, 2007 at least 1 of the wells identified in Exhibit A to the Order not listed in Findings Paragraph 3, above, to meet its 11-well goal for the second six-month period of the Order.

5. Operator filed a compliance report dated August 18, 2006, indicating that it had returned the following additional wells to compliance:

1. Empire Abo Unit #028E	30-015-02604
2. Empire Abo Unit #272A	30-015-22526
3. Empire Abo Unit #291B	30-015-22607
4. Empire Abo Unit #293	30-015-22010

6. The OCD issued an amendment, ACOI 103-B, requiring Operator to return to compliance by August 10, 2007 at least 8 of the wells identified in Exhibit A to the Order not listed in Findings Paragraphs 3 or 5, above, to meet its 11-well goal for the third six-month period of the Order.

7. Operator filed a compliance report dated February 26, 2007, indicating that it had returned the following additional wells to compliance:

1. Empire Abo Unit #008G	30-015-00912
2. Empire Abo Unit #015B	30-015-00741
3. Hammond 17 Federal Com #001	30-015-29450
4. Jaguar 26 Federal #001	30-015-31566
5. Riverwolf Unit #005	30-015-00719
6. Sparkplug Ridge 17 Fed. Com #001	30-015-32271
7. Washington 33 State #025	30-015-01690
8. Washington 33 State #026	30-015-22464

8. The OCD has confirmed that its records show that the wells identified in Findings Paragraph 7, above, have been returned to compliance.


CONCLUSIONS

1. OCD records indicate that Operator has returned 8 additional wells identified on Exhibit A to compliance, meeting its goal for the third period of the order.
2. The OCD should issue a third amendment to ACOI-103 to extend its terms through February 10, 2008.

ORDER

1. Operator shall return to compliance by February 10, 2008 the remaining wells identified in Exhibit A to ACOI 103 not listed in Findings Paragraphs 3, 5 or 7, above, to meet its goal for this period.
2. Operator shall file a compliance report as described in ACOI 103 by February 10, 2008 using the Oil Conservation Division's web-based on-line application. If the on-line application is not available, Operator shall file a written compliance report.
3. The terms of ACOI 103 as amended by ACOI 103-A and ACOI 103-B otherwise remain in effect.

Done at Santa Fe, New Mexico this 6th day of March, 2007

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