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

NMOCD - ACOI 147-B

IN THE MATTER OF APACHE CORPORATION,

Respondent.

AMENDED AGREED COMPLIANCE ORDER

Pursuant to Ordering Paragraphs 3 and 4 of Agreed Compliance Order 147 as amended ("ACOI 147" or "Order"), the Director of the Oil Conservation Division ("OCD") hereby amends that Order as follows:

FINDINGS

- 1. ACOI 147 requires Apache Corporation ("Operator") to return to compliance with OCD Rule 201 at least five of the wells identified in Exhibit A by March 15, 2007, 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 five of the wells identified in Exhibit A by March 15, 2007, and files a timely compliance report, the OCD shall issue an amendment extending the terms of ACOI 147 for an additional six-month period, requiring Operator to return an additional five wells to compliance by that deadline. If Operator continues to return wells to compliance at a rate of at least five 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 March 15, 2007, and the OCD verified that its records show that Operator returned eight wells identified in Exhibit A to compliance.
- 4. The OCD amended the order extending the terms of ACOI 147 for an additional six-month period, and requiring Operator to return two additional wells identified in Exhibit A to compliance to meet its five-well goal for the second period.
- 5. Operator filed a timely compliance report for the second six-month period, and the OCD verified that its records show that Operator returned an additional 13 wells identified in Exhibit A to compliance.

CONCLUSIONS

- 1. OCD records indicate that Operator has returned 13 additional wells identified on Exhibit A to compliance, exceeding its goal for the second period by 11 wells.
- 2. The 11 excess wells will satisfy Operator's goals for the third and fourth periods of the Order, and exceed those goals by one well.
- 3. The OCD should issue an amendment to ACOI 147 extending its terms through Sept. 15, 2008. 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. The terms of ACOI 147 are extended through Sept. 15, 2008.

Done at Santa Fe, New Mexico this 234 day of luquet, 2007

By:

Mark Fesmire, P.E.

Director, Oil Conservation Division