

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

**NMOCD - ACOI 125-C**

**IN THE MATTER OF ASPEN OIL INC.,**

**Respondent.**

**THIRD AMENDED  
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraphs 3 and 4 of Agreed Compliance Order 125 (“ACOI 125” or “Order”), the Director of the Oil Conservation Division (“OCD”) hereby amends that Order as follows:

**FINDINGS**

1. ACOI 125 required Aspen Oil Inc. (“Operator”) to return at least 3 of the wells identified in the Order to compliance with OCD Rule 201 by October 1, 2006 (the first period). Operator returned the following two wells to compliance in the first period:

- Acrey #003Y 30-015-00665
- Delhi #003 30-015-00690

2. Although Operator failed to meet its 3-well goal for the first period, the OCD waived the applicable penalty and exercised its discretion to amend the Order to extend its terms by 6 months, and require Operator to return 3 additional wells identified in the Order to compliance by April 1, 2007 to meet its 3-well goal for the second period.

3. Operator returned the following well identified in the Order to compliance in the second period:

- Conklin #002 30-015-00690

4. Although Operator failed to meet its 3-well goal for the second period, the OCD waived the applicable penalty and exercised its discretion to amend the Order to extend its terms by 6 months, and require Operator to return 3 additional wells identified in the Order to compliance by October 1, 2007 to meet its 3-well goal for the third period. Operator was admonished that if it did not meet its 3-well goal for the third period, no further amendments would be issued.

5. Operator returned the following wells identified in the Order to compliance in the third period:

- Delhi #007 30-015-00646
- Gates State #003 30-015-31036
- Malco State #001 30-015-01637
- State A #002 30-015-00650

6. The following wells identified in the Order remain out of compliance:

- Aston & Fair #001Y 30-015-01635
- Brainard #001 30-015-00526
- Conklin #001 30-015-00666
- Delhi #001 30-015-00693
- Homan #001 30-015-00669

### CONCLUSIONS

1. Operator met and exceeded its 3-well goal for the third period, returning 4 wells to compliance. The additional well will carry over to the fourth period.

2. The OCD should amend ACOI 125 to extend its terms through April 1, 2008 and require Operator to return to compliance by that date two wells identified in Findings Paragraph 6, above, to complete its 3-well goal for the fourth period.

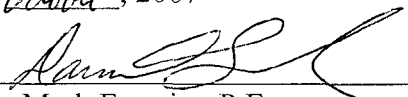
### ORDER

1. Operator shall return to compliance by April 1, 2008 2 of the wells identified in Findings Paragraph 6, above to complete its 3-well goal for the fourth period.

2. Operator shall file a written compliance report identifying the well(s) it returned to compliance in the third period, and stating how the well(s) were returned to compliance (returned to production or other beneficial use; wellbore plugged; or placed on approved temporary abandonment status). The report must be mailed or e-mailed to the OCD's Enforcement and Compliance Manager so that it is received by April 1, 2008.

3. The terms of ACOI 125 otherwise remain in effect.

Done at Santa Fe, New Mexico this 18<sup>th</sup> day of October, 2007

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