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

NMOCD - ACOI 07-182-A

IN THE MATTER OF MCDONNOLD OPERATING INC.,

Respondent.

AMENDED AGREED COMPLIANCE ORDER

Pursuant to Order Paragraph 19 of Agreed Compliance Order No. 7-182, the Director of the Oil Conservation Division ("OCD") hereby amends that Order as follows:

FINDINGS

- 1. Order Paragraph 11 requires McDonnold Operating Inc. ("Operator") to return all seven wells identified in Exhibit A of the Order into compliance with OCD Rule 19.15.4.201 NMAC ("Rule 201") by July 31, 2008.
- 2. OCD has verified that the following four wells identified in Exhibit A have been returned to compliance with OCD Rule 201 by the July 31, 2008 deadline:

•	Langlie Jack Unit No. 010	E-21-24S-37E	30-025-11177
•	Littie Woolworth No. 003	M-28-24S-37E	30-025-11269
•	Littie Woolworth No. 004	L-28-24S-37E	30-025-11268
•	State Co No. 001	L-16-08S-38E	30-041-20325

- 3. Operator has requested additional time to bring the three remaining wells identified in Exhibit A into compliance with OCD Rule 201. Operator has asked that the deadline be extended to October 31, 2008.
- 4. Order Paragraph 18 provides that OCD may approve an Operator's request for additional time for good reason.

CONCLUSIONS

- 1. Operator has demonstrated sufficient good reason for the granting of the extension.
- 2. Ordering Paragraph 11 is hereby amended to require Operator to bring the three remaining wells identified in Exhibit A into compliance by November 1, 2008.

ORDER

1. Operator shall bring the three remaining wells identified in Exhibit A into compliance with OCD Rule 201 by November 1, 2008.

2. The terms of Agreed Compliance Order No. 7-182 otherwise remain in effect.

Done at Santa Fe, New Mexico this Fourth day of August 2008.

By:

Mark Fesmire, P.E.

Director, Oil Conservation Division