

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

NMOCD – ACOI-235 A

IN THE MATTER OF YATES PETROLEUM CORPORATION,

Respondent.

**FIRST AMENDMENT TO
INACTIVE WELL
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 1.C of Inactive Well Agreed Compliance Order 235, the Director of the Oil Conservation Division (OCD) hereby amends Order 235 as follows:

FINDINGS

1. Yates Petroleum Corporation (“Yates”) has submitted a timely and complete report to the OCD’s Compliance and Enforcement Manager, and has begun recompletion work or plugging operations on at least 5 of the wells identified on Exhibit A of Inactive Wells Agreed Compliance Order 235 (ACOI 235).
2. ACOI 235 further provides that if Yates begins recompletion work or plugging operations on at least 5 of the wells by June 15, 2011, verified by the Compliance and Enforcement Manager’s review of Yates’s report, the OCD shall issue an amendment to ACOI 235.
3. Yates filed a timely and complete report, verified by OCD that the following wells have either been re-completed or are in the process of recompletion:
 - a. NDDUP #20 30-015-28738
 - b. NDDUP #45H 30-015-28404
 - c. NDDUP #18 30-015-28003
 - d. NDDUP #131 30-015-26763
 - e. NDDUP #23 30-015-28424

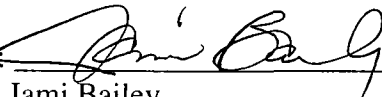
CONCLUSIONS

1. Yates has begun recompletion work on at least 5 wells identified on Exhibit A of ACOI 235.

ORDER

1. Yates shall begin recompletion work or plugging operations on at least 7 additional wells identified on Exhibit A and submit a written report to OCD's Compliance and Enforcement Manager identifying the wells and the work completed by February 1, 2012.
2. The OCD shall remove the wells identified on Exhibit A of ACOI 235 until March 1, 2012.
3. The terms of ACOI 235 as amended by ACOI 235-A otherwise remain in effect and are extended through March 1, 2012.

Done at Santa Fe, New Mexico this 11th day of July 2011

By: 

Jami Bailey
Director, Oil Conservation Division