

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

NMOCD - ACOI 116-B

**IN THE MATTER OF GUADALUPE OPERATING CO. LLP,
Respondent.**

**SECOND AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 4 of Agreed Compliance Order 116 ("ACOI 116" or "Order") the Director of the Oil Conservation Division ("OCD") hereby amends that order as follows:

FINDINGS

1. Guadalupe Operating Co. LLP ("Operator") received credit for returning the following wells to compliance in first 6-month period of the Order:

Tom Closson #001	30-025-08801
Tom Closson #002	30-025-08802

2. In ACOI 116-A the OCD amended ACOI 116 to extend its terms by six months, requiring Operator to return two additional wells identified in the Order to compliance by March 8, 2007, and file a compliance report by that date.

3. Under the terms of ACOI 116, as amended, if Operator returns two additional wells identified in the Order to compliance by March 8, 2007, and files a timely compliance report, the OCD will issue a second amendment to ACOI 116 to extend its terms for an additional six month period and require Operator to return one additional well identified in the Order to compliance by September 8, 2007 and file a compliance report by that date.

4. Operator has filed a timely compliance report and OCD records indicate that the following two wells identified in ACOI 116 have been returned to compliance:

Yates Federal #011	30-015-01034
Tom Closson #007	30-025-08807

5. The following wells identified in ACOI 116 remain out of compliance:

Lario State #001	30-025-25193
Roberts #001	30-041-20416

CONCLUSIONS

1. Operator met its goal of returning two additional wells to compliance by March 8, 2007.
2. The OCD should amend ACOI 116 to extend its terms through September 8, 2007 and require Operator to return to compliance by that date at least one of the wells identified in Findings Paragraph 5, above.

ORDER

1. By September 8, 2007 Operator shall return to compliance at least one of the wells identified in Findings Paragraph 5, above.
3. Operator shall file a compliance report by September 8, 2007 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.
4. The terms of ACOI 116 as amended otherwise remain in effect.

Done at Santa Fe, New Mexico this 5th day of February, 2007

By: 

Mark Fesmire, P.E.

Director, Oil Conservation Division