

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

NMOCD ACOI 187-A

IN THE MATTER OF EOR OPERATING COMPANY,

Respondent.

**AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 3 of Agreed Compliance Order 187, the Director of the Oil Conservation Division ("OCD") hereby amends that order as follows:

FINDINGS

1. Agreed Compliance Order 187 ("ACOI 187") requires EOR Operating Company ("Operator") to return to compliance with OCD Rule 201 at least four of the wells identified in the Order by September 15, 2008 and file a compliance report by that date.

2. ACOI 187 further provides that if Operator returns to compliance with OCD Rule 201 at least four of the wells identified in the Order by September 15, 2008 and files a timely compliance report, the OCD shall issue an amendment extending the terms of ACOI 187 for a second six-month period, requiring Operator to return an additional four wells to compliance by that deadline. The Order provides that the OCD shall continue to issue six-month amendments if the Operator continues to return at least four additional wells to compliance in each period, so long as the total length of the Order and any amendments does not exceed two years.

3. Operator filed a timely compliance report, and the OCD has verified that OCD records indicate that Operator has returned the following wells identified in the Order to compliance:

- | | |
|--------------------------|--------------|
| • MILNESAND UNIT No. 024 | 30-041-10147 |
| • MILNESAND UNIT No. 059 | 30-041-00256 |
| • MILNESAND UNIT No. 186 | 30-041-10194 |
| • MILNESAND UNIT No. 187 | 30-041-10057 |
| • MILNESAND UNIT No. 317 | 30-041-10195 |

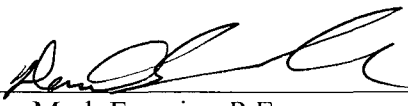
CONCLUSIONS

1. Operator has returned five wells to compliance, exceeding by one well its goal of returning four wells identified in the Order to compliance in the first six-month period.
2. The OCD should amend ACOI 187 to extend its terms through March 15, 2009 and require Operator to return to compliance by that date three additional wells from the Order not identified in Findings Paragraph 3, above, to complete its goal of returning four wells to compliance in that period.

ORDER

1. Operator shall return to compliance by March 15, 2009 three wells identified in the Order that are not identified in Findings Paragraph 3, above.
2. Operator shall file a written compliance report by March 15, 2009 identifying the well(s) it returned to compliance in the second period, stating the date the well(s) were returned to compliance, 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 (email: daniel.sanchez@state.nm.us) and Assistant General Counsel (email: sonny.swazo@state.nm.us) so that it is received by compliance deadline March 15, 2009.
3. The terms of ACOI 187 otherwise remain in effect.

Done at Santa Fe, New Mexico this 1st day of October, 2008

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