

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

NMOCD ACOI 194-A

IN THE MATTER OF APOLLO ENERGY, L.P.,

Respondent.

**AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 3 of Agreed Compliance Order 194, the Director of the Oil Conservation Division ("OCD") hereby amends that order as follows:

FINDINGS

1. Agreed Compliance Order 194 ("ACOI 194") requires Apollo Energy, L.P. ("Operator") to return to compliance with OCD Rule 201 at least three of the wells identified in the Order by November 10, 2008 and file a compliance report by that date.

2. ACOI 194 provides that if Operator returns to compliance with OCD Rule 201 at least three of the wells identified in the Order by November 10, 2008 and files a timely compliance report, the OCD shall issue an amendment extending the terms of ACOI 194 for a second six-month period, requiring Operator to return an additional three 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 three additional wells to compliance in each period, so long as the total length of the Order and any amendments does not exceed two years. The Order provides that if, in any six-month period, Operator returns more wells to compliance than the number required under this Order for that six-month period, the wells in excess of the number required will count towards the Operator's requirements for the next six-month period.

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:

•	30-015-02356	RUSSELL USA NO. 009
•	30-015-06186	RUSSELL USA NO. 049
•	30-015-06187	RUSSELL USA NO. 050
•	30-015-10240	RUSSELL USA NO. 058
•	30-015-10420	RUSSELL USA NO. 060
•	30-015-20230	RUSSELL USA NO. 066

CONCLUSIONS

1. Operator has returned six of the wells identified in the Order to compliance by November 10, 2008, and filed a compliance report by that date. Operator exceeded its three well goal for the first six-month compliance period by three wells, and met its three well goal for the second six-month compliance period.

2. The OCD should amend ACOI 194 to extend its terms through November 10, 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 three wells to compliance in that period.

ORDER

1. Operator shall return to compliance by November 10, 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 November 10, 2009 identifying the well(s) it returned to compliance in the third 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 November 10, 2009.

3. The terms of ACOI 194 otherwise remain in effect.

Done at Santa Fe, New Mexico this 12th day of November 2008

By: _____

Mark Fesmire, P.E.

Director, Oil Conservation Division