

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

NMOCD ACOI 204-B

IN THE MATTER OF CONOCOPHILLIPS COMPANY,

Respondent.

**SECOND AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 4 of Agreed Compliance Order 204, the Director of the Oil Conservation Division ("OCD") hereby amends that order as follows:

FINDINGS

1. Agreed Compliance Order 204 ("ACOI 204" or "Order") required ConocoPhillips Company ("Operator") to return to compliance with OCD Rule 201 at least eight of the wells identified in the Order by December 1, 2009 and file a compliance report by that date.

2. ACOI 204 provided that if Operator returned to compliance with OCD Rule 201 at least eight of the wells identified in the Order by December 1, 2009, filed a timely compliance report, and was in compliance with OCD's financial assurance requirements, the OCD would issue an amendment extending the terms of ACOI 204 for a third six-month period, requiring Operator to return an additional sixteen wells identified in the Order to compliance by that deadline. ACOI 204 provides if, in any six-month period, Operator returns more wells to compliance than the number required under ACOI 204 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 OCD records verified that Operator returned the following twenty-two wells identified in the Order to compliance:

ARNOTT RAMSAY NCT C #013	30-025-04746
ARNOTT RAMSAY NCT C #019	30-025-33256
BILBREY 32 STATE COM #001	30-025-30886
BRITT B #033	30-025-33907
EAST VACUUM (GSA) UNIT #001	30-025-26775
LOCKHART B 35 #004	30-025-07035
SEMU BURGER B #071	30-025-07797

SEMU EUMONT #090	30-025-22837
SEMU MCKEE #060	30-025-07857
SEMU MCKEE #062	30-025-07835
VACUUM ABO UNIT #004	30-025-03066
VACUUM ABO UNIT #005	30-025-30759
VACUUM ABO UNIT #006	30-025-02872
VACUUM ABO UNIT #064	30-025-03004
VACUUM ABO UNIT #066	30-025-02885
VACUUM GLORIETA EAST UNIT #003	30-025-20290
VACUUM GLORIETA EAST UNIT #013	30-025-32364
WARREN UNIT #085	30-025-27091
WARREN UNIT BLINEBRY TUBB WF #019	30-025-07878
WARREN UNIT BLINEBRY TUBB WF #053	30-025-25916
WARREN UNIT BLINEBRY TUBB WF #055	30-025-25853
WARREN UNIT BLINEBRY TUBB WF #064	30-025-26206

4. Because Operator met its compliance goal for the second period, the OCD amended the order extending the terms of ACOI 204 for an additional six-month period, requiring Operator to return two additional wells identified in Exhibit A to compliance to meet its sixteen-well goal for the third period.

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

STATE F 1 #010	30-025-27034
VACUUM GLORIETA EAST UNIT #001	30-025-21352
VACUUM GLORIETA EAST UNIT #001	30-025-21353
WARREN UNIT #022	30-025-07858
WARREN UNIT #025	30-025-25916
WARREN UNIT BLINEBRY TUBB WF #010	30-025-07843
WARREN UNIT BLINEBRY TUBB WF #052	30-025-26033

CONCLUSIONS

1. Operator has returned seven additional wells identified in the Order to compliance, meeting and exceeding its goal of returning at least sixteen additional wells identified in the Order to compliance by June 1, 2010 by five wells.

2. The OCD should amend ACOI 204 to extend its terms through December 1, 2010 and require Operator to return to compliance by that date at least eleven additional wells identified in the Order not identified in Findings Paragraph 3 or 5, above, to complete its goal of returning at least sixteen additional wells identified in the Order to compliance in the fourth and final six-month period.

ORDER

1. Operator shall return to compliance by December 1, 2010 at least eleven additional wells identified in the Order that are not identified in Findings Paragraph 3 or 5, above.

2. Operator shall file a written compliance report by December 1, 2010 identifying the well(s) it returned to compliance in fourth and final six-month 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 December 1, 2010.

3. The terms of ACOI 204 otherwise remain in effect.

Done at Santa Fe, New Mexico this 4th day of June, 2010

By: 

Mark Fesmire, P.E.

Director, Oil Conservation Division