

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

NMOCD ACOI 213-B

IN THE MATTER OF XTO ENERGY, INC.,

Respondent.

**SECOND AMENDED
AGREED COMPLIANCE ORDER**

Pursuant to Ordering Paragraph 4 of Agreed Compliance Order 213, the Director of the Oil Conservation Division ("OCD") hereby amends that order as follows:

FINDINGS

1. Agreed Compliance Order 213 ("ACOI 213" or "Order") required XTO Energy, Inc. ("Operator") to return to compliance with OCD Rule 19.15.25.8 NMAC at least six of the wells identified in the Order by February 5, 2010 and file a compliance report by that date.

2. ACOI 213 further provided that if Operator returned to compliance with OCD Rule 19.15.25.8 NMAC at least six of the wells identified in the Order by February 5, 2010, 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 213 for a second six-month period, requiring Operator to return an additional six wells identified in the Order to compliance by that deadline.

3. ACOI 213 provides that if, in any six-month period, Operator returns more wells to compliance than the number required under the Order for that six-month period, the wells in excess of the number required will count towards the Operator requirements for the next six-month period.

4. Operator filed a timely compliance report for the first six-month period, and OCD records verified that Operator returned the following seven wells identified in the Order to compliance:

- | | |
|------------------------------|--------------|
| • A L CHRISTMAS NCT C #017 | 30-025-30649 |
| • NW CHA CHA UNIT #039 | 30-045-07920 |
| • NW CHA CHA UNIT #050 | 30-045-07837 |
| • PENNZOIL MERIT STATE #001 | 30-025-25256 |
| • UTE MOUNTAIN TRIBAL D #001 | 30-045-10918 |
| • UTE MOUNTAIN TRIBAL J #001 | 30-045-21011 |
| • UTE MOUNTAIN TRIBAL J #002 | 30-045-21104 |

5. Because Operator returned seven wells to compliance for the first six-month period, OCD amended the Order to extend its terms by six months, requiring Operator to bring five additional wells identified in the Order into compliance by August 5, 2010, to meet its six wells compliance goal for the period.

6. Operator has filed a timely compliance report for the second six-month period, and OCD records indicate that Operator has returned the following five additional wells identified in the Order to compliance.

- | | |
|------------------------|--------------|
| • NW CHA CHA UNIT #025 | 30-045-29163 |
| • NW CHA CHA UNIT #027 | 30-045-29164 |
| • NW CHA CHA UNIT #032 | 30-045-29121 |
| • NW CHA CHA UNIT #037 | 30-045-29122 |
| • SALTY DOG SWD #002 | 30-045-30812 |

CONCLUSIONS

1. Operator has returned five additional wells identified in the Order to compliance by August 5, 2010.

2. The OCD should amend ACOI 213 to extend its terms through February 5, 2011 and require Operator to return to compliance by that date the five remaining wells from the Order not identified in Findings Paragraphs 4 and 6, above.

ORDER

1. Operator shall return to compliance by February 5, 2011 the five remaining wells identified in the Order that are not identified in Findings Paragraphs 4 and 6, above.

2. Operator shall file a written compliance report by February 5, 2011 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 of February 5, 2011.

3. The terms of ACOI 213 otherwise remain in effect.

Done at Santa Fe, New Mexico this 15th day of Aug, 2010

By: 

Mark Fesmire, P.E.

Director, Oil Conservation Division