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

APPLICATION OF ASCENT ENERGY, LLC FOR COMPULSORY POOLING, EDDY COUNTY NEW MEXICO

CASE NOS. 21277 & 21278

AMENDED APPLICATIONS OF APACHE CORPORATION FOR COMPULSORY POOLING AND APPROVAL OF A HORIZONTAL SPACING UNIT AND POTASH DEVELPOMENT AREA, EDDY COUNTY, NEW MEXICO

CASE NOS. 21279 & 21280 ORDER NO. R-21454

ORDER OF THE COMMISSION

THIS MATTER came before the New Mexico Oil Conservation Commission ("Commission") on a Motion to Stay the *De Novo* Hearings set for September 17, 2020 filed on August 5, 2020 by Apache Corporation ("Apache"). The Motion and subsequent pleadings filed by Ascent Energy, LLC ("Ascent") and Mewbourne Oil Company ("Mewbourne") reference several related applications that are currently pending before the Oil Conservation Division ("Division"), or that are planned to be filed and heard by the Division in the future.

After review of the Motion and the subsequent pleadings, the Chair, as hearing officer, finds that there is good cause to stay the proceedings currently before the Commission. The Chair also finds that in order to prevent waste and protect correlative rights, it is in the best interest of the public and the parties that all of the related applications be heard in conjunction with one another, or be entirely consolidated for the purpose of hearing. Given that these potentially competing applications are not all ripe for review by the Commission at this time, it is not currently appropriate for the various applications to be immediately transferred to the Commission for hearing. Additionally, a transfer would inevitably result in a significant delay in these proceedings not unlike the issuance of a stay. The potentially competing applications, including those that have yet to be filed, should be heard by the Division prior to the Commission hearing the applications currently before the Commission. However, the Division and the Commission cannot maintain a

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stay of these proceedings based on potential applications. Therefore, these applications can and will be heard by the Commission when all filed competing applications have been heard by the Division.

For the foregoing reasons, the Commission finds that Apache's Motion to Stay is well taken and is hereby GRANTED. The hearings in these matters are stayed until all competing applications are heard by the Division or are otherwise resolved. The parties are ordered to notify the Commission when all related filed applications have been heard by the Division or have otherwise been resolved. As part of the notice to the Commission, the parties are encouraged to request the setting of a prehearing conference in order to determine the date and manner in which these competing applications will be heard.

IT IS SO ORDERED.

DONE at Santa Fe, New Mexico, on this 25th day of August 2020.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

ADRIENNE SANDOVAL, M.E., CHAIR