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

APPLICATION OF COG OPERATING LLC FOR SPECIAL POOL RULES AND REGULATIONS FOR THE ARTESIA-GLORIETA-YESO POOL, BEAR GRASS DRAW-GLORIETA-YESO POOL, CEDAR LAKE-GLORIETA-YESO POOL, EMPIRE-GLORIETA-YESO POOL, EAST EMPIRE-GLORIETA-YESO POOL, FREN-GLORIETA-YESO POOL, EAST FREN-GLORIETA-YESO POOL, GRAYBURG JACKSON-SEVEN RIVERS-QUEEN-GRAYBURG-SAN ANDRES-GLORIETA-YESO (PADDOCK) POOL, GRAYBURG JACKSON-SEVEN RIVERS-QUEEN-GRAYBURG-SAN ANDRES POOL, GRAYBURG JACKSON-YESO POOL, NORTH LEAMEX-PADDOCK POOL, LOCO HILLS-GLORIETA-YESO POOL, AND WEST MALJAMAR-YESO POOL, AND CANCELLATION OF OVER PRODUCTION, LEA AND EDDY COUNTIES, NEW MEXICO

CASE NO. 14613

APPLICATION OF BURNETT OIL CO., INC. AND HUDSON OIL COMPANY OF TEXAS FOR CONSOLIDATION AND EXPANSION OF AND ADOPTION OF SPECIAL POOL RULES FOR CERTAIN YESO POOLS, INCLUDING CEDAR LAKE-GLORIETA-YESO POOL ET AL, LEA AND EDDY COUNTIES, NEW MEXICO

CASE NO. 14647 Order No. R-13382-F

APPLICATIONS OF BURNETT OIL COMPANY, INC. FOR COMPULSORY POOLING

CASE NOS. 14640 AND 14641 Order No. R-13450-C

APPLICATIONS OF BURNETT OIL COMPANY, INC. FOR COMPULSORY POOLING AND AN UNORTHODOX OIL WELL LOCATION, EDDY COUNTY, NEW MEXICO

CASE NOS. 14673 AND 14674

APPLICATIONS OF COG OPERATING LLC FOR NON-STANDARD OIL SPACING AND PRORATION UNITS AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NOS. 14706-14718 Order No. R-13481-A Case Nos. 14613, 14647, 14640, 14641, 14673, 14674, and 14706-14718 Order Nos. R-13382-F, R-13450-C, and R-13481-A Page 2

ORDER OF THE COMMISSION

This matter comes before the Oil Conservation Commission ("Commission") on a January 26, 2012 letter ("Letter") from James Bruce, attorney for Burnett Oil Company, Inc. ("BOC") and Hudson Oil Company of Texas ("HOC"). The Letter is approved by Michael B. Campbell, attorney for BOC and HOC; Michael H. Feldewert and Adam Rankin, attorneys for COG Operating LLC ("COG") and Premier Oil & Gas, Inc.; and John R. Cooney and Earl E. DeBrine, Jr., attorneys for Apache Corporation.

The Letter represents that "the parties" request that Case Nos. 14613 and 14647 regarding Order No. R-13382-E; Case Nos. 14640 and 14641 regarding Order No. R-13450; and Case Nos. 14673, 14674, and 14706-14718 regarding Order No. R-13481 (the "Cases"), which currently are set for hearing on February 23, 2012, be continued to the next available Commission docket. The letter further reports that BOC, HOC and COG are engaged in discussing and finalizing a settlement that would resolve all matters in the Cases.

The Commission will treat the Letter as a motion. There being no opposition to the motion, the Commission finds that it is well taken and should be granted.

NOW THEREFORE the motion is **GRANTED** and each of the Cases is continued to the next meeting of the Commission following the February 23, 2012 meeting, which currently is scheduled for **March 27, 2012**.

DONE in Santa Fe, New Mexico, this 1st day of February, 2012.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JAMI BAILEY, Chair

SEAL