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

APPLICATION OF COLGATE OPERATING, LLC FOR COMPULSORY POOLING EDDY COUNTY NEW MEXICO

Commission Case No. 21744 Order No. R-21679-A

ORDER OF THE COMMISSION GRANTING A STAY OF DIVISION ORDER NO. R-21575

THIS MATTER came before the New Mexico Oil Conservation Commission ("Commission") at the April 15, 2021 regular meeting concerning Cimarex Energy Co.'s Motion to Stay Division Order No. R-21575 filed on March 26, 2021.

After review of the Motion, the subsequent pleadings and the oral arguments of the Parties, the Commission finds that there is good cause to stay Division Order No. R-21575 pursuant to 19.15.4.23(B) NMAC. The Commission 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 Division Order No. R-21575 be stayed and that Colgate Operating, LLC cease any and all action it has taken to date pursuant to Division Order R-21575. Additionally, the Commission finds that staying Division Order No. R-21575 will prevent gross negative consequences to Cimarex Energy Co.

For the foregoing reasons, the Commission finds that Cimarex Energy Co.'s Motion to Stay Division Order No. R-21575 is well taken and is hereby GRANTED. Division Order No. R-21575 is now STAYED until this matter is resolved, either by the Commission or *via* settlement agreements between the Parties. The Commission further orders Colgate Operating, LLC to cease any and all action it has taken to date pursuant to Division Order R-21575.

IT IS SO ORDERED.

DONE at Santa Fe, New Mexico, on this 30th day of April 2021.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

ADRIENNE SANDOVAL, M.E., CHAIR