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

APPLICATIONS OF COG OPERATING, LLC FOR A NON-STANDARD SPACING UNIT, NON-STANDARD LOCATION AND COMPULSORY POOLING EDDY COUNTY, NEW MEXICO

CASE NOS [14649] 14650, 14706-14718

APPLICATIONS OF BURNETT OIL CO. FOR COMPULSORY POOLING EDDY COUNTY, NEW MEXICO

CASE NOS. 14640, 14641, 14673, 14674, 14691

ORDER DENYING COG OPERATING'S REQUEST FOR CASE CONSOLIDATION AND COMMISSION HEARING

THIS MATTER having come before the Director ("Director") of the Oil Conservation Division ("Division") on COG Operating, LLC's ("COG") opposed Motion for Cases to be Consolidated and Heard on the Commission Docket ("Motion") and the Director having considered the Motion and Burnett Oil Co.'s ("Burnett") Response in Opposition, FINDS:

- 1. Case Nos. 14640, 14641, 14649 and 14650 already have been heard by Division and are currently under advisement;
- 2. Case Nos 14673, 14674, 14691 and 14706-14718 are set for Division Hearing on August 29, 2011;
- 3. Consolidating these cases before the Oil Conservation Commission ("Commission") would likely create confusion;
- 4. The Motion is based, in part, on the speculation of an appeal;
- 5. Granting the Motion would result in wasting the Division's time on the matters already heard;
- 6. Granting the Motion will not result in administrative economy;
- 7. The Motion is untimely; and

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8. If these cases are appealed de novo to the Commission, the Commission would benefit from the Division's orders.

NOW THEREFORE, IT IS HEREBY ORDERED that there being no cause shown as to why the Director should direct the Commission to consolidate and hear the cases, COG's Motion is DENIED. NMAC 19.15.4.20(B). This Order does not prohibit COG or Burnett from seeking a de novo review by the Commission after the Division has issued its orders in the cases. NMAC 19.15.4.20.

DONE at Santa Fe, New Mexico, on August 4, 2011.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JAMI BAILEY Director