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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 14911 Re-Opened ORDER NO. R-13669-B

APPLICATION OF COG OPERATING LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on March 21, 2013, at Santa Fe, New Mexico, before Examiner David K. Brooks.

NOW, on this 11th day of April, 2013, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due notice has been given, and the Division has jurisdiction of the subject matter of this case.

(2) Pursuant to previous hearings, the Division, on December 18, 2012, issued Order No. R-13669, granting the application of COG Operating LLC (Applicant) for approval of a non-standard spacing and proration unit and compulsory pooling.

(3) Subsequently, Applicant filed a Motion to Re-open this case, and in that Motion informed the Division that Applicant had discovered an additional owner with an interest in the lands pooled pursuant to an instrument of record in Eddy County, New Mexico. This owner, Don Phillips, alleged to be deceased, was inadvertently omitted from previous notices provided to owners in this case, as required by Division Rule 19.15.4.12.A(1) NMAC.

(4) This case was accordingly re-opened, and a hearing was set on March 21, 2013. At that hearing, Applicant appeared through counsel and presented evidence that it

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had given notice of the original application and the re-opened hearing to Mr. Don Phillips, or his heirs, successors or assigns, by publication pursuant to 19.15.4.12.B NMAC. No appearance was entered for Don Phillips, or any personal representative, heir or successor of Don Phillips, and no person claiming to own or represent a claimant to an interest derived from Don Phillips has otherwise communicated with the Division.

The Division therefore concludes:

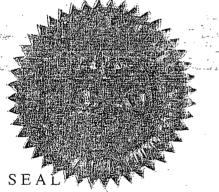
(5) Order No. R-13669 should be now reaffirmed to assure that it will be binding and enforceable as to the interest of Don Phillips and his heirs, devisees, personal representatives, successors and assigns, whoever they may be.

IT IS THEREFORE ORDERED THAT:

(1) Pursuant to the Application of COG Operating LLC (OGRID 229137), Order No. R-13669, issued in this case on December 18, 2012, as amended by Order No. R-13669-A, is hereby reaffirmed, and shall be effective as to Don Phillips and his heirs, devisees, personal representatives, successors and assigns, as well as all other owners of interests in the Unit established thereby, from the date said Order was originally issued.

(2) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JAMI BAILEY Director