

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

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

CASE NOS. 14640 and 14641

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

ORDER NO. R-13450-B

ORDER DENYING MOTION TO RECONSIDER ORDER NO. R-13450-A
DENYING CONCHO'S MOTION FOR STAY

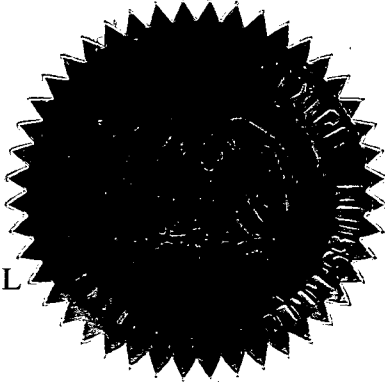
THIS MATTER having come before the Chair of the New Mexico Oil Conservation Commission on motion of COG Operating LLC asking the Chair to reconsider Order No. R-13450-A denying Concho's Motion for Stay and the Chair having reviewed the motion,

FINDS that COG Operating LLC has not established that stay of Order No. R-13450 is necessary to prevent waste, protect correlative rights, protect public health or the environment, or prevent gross negative consequences to an affected party. Given the limited amount of geological information available for the lands subject to Order No. R-13450, it is prudent for Burnett Oil Co., Inc. to drill vertical wells to obtain additional geological information. Burnett Oil Co., Inc. is not prevented from later drilling horizontal wells. As such a stay of Order No. R-13450 is not necessary to prevent waste, protect correlative rights, protect public health or the environment, or prevent gross negative consequences to an affected party, the Chair denies the motion to reconsider Order No. R-13450-A.

IT IS THEREFORE ORDERED that COG Operating LLC's motion to reconsider Order No. R-13450-A is denied.

DONE at Santa Fe, New Mexico on this 22nd day of November, 2011.

SEAL



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A handwritten signature in cursive script, appearing to read "Jami Bailey".

JAMI BAILEY, Chair