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. 14613 Order No. R-13382-A

APPLICATION OF COG OPERATING LLC FOR SPECIAL RULES AND REGULATIONS FOR THE ARTESIA-GLORIETA-YESO POOL, *ET AL.*, AND CANCELLATION OF OVERPRODUCTION, LEA AND EDDY COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

THIS MATTER CAME BEFORE THE New Mexico Oil Conservation Division for hearing on April 7, 2011, at Santa Fe, New Mexico, on competing motions relative to discovery. The Division Director, having reviewed the respective motions, having considered the recommendation of the hearing examiner, and being fully advised,

FINDS THAT:

- (1) Apache Corporation ("Apache") is a party to this proceeding that operates wells in some of the pools at issue in this Application, has filed a Prehearing Statement in support of the Application, and presumably "intends to present evidence in support of the Application." Motion at 2.
- (2) On March 28, 2011, the Division issued a Subpoena directing Apache to produce certain designated documents relating to the Application.
- (3) On March 31, 2011, Apache filed a Motion to Quash Subpoena, in its entirety, on grounds that the documents sought are "irrelevant" and that it subjects Apache to "annoyance, oppression and undue expense." *Ibid.*

IT IS THEREFORE ORDERED THAT:

(A) Apache's Motion is DENIED in the following respects:

- (i) Apache, with respect to the Loco Hills- Glorieta-Yeso Pool and the Cedar Lake-Glorieta-Yeso Pool, shall produce documents responsive to Request Nos. 2, 5, 6, 7 and 8, on or before May 11, 2011.
- (ii) Apache, with respect to Request No. 1, shall produce responsive documents under normal rules of the Division.
- (B) Apache's Motion to Quash is otherwise GRANTED.
- (C) 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.

SEAL

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JAMI BAILEY Director