

and Regulations providing for 320-acre spacing units comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision of the United States Public Land Surveys.

(11) That the Temporary Special Rules and Regulations should provide for limited well locations in order to assure orderly development of the pool and to protect correlative rights.

(12) That said Temporary Special Rules and Regulations should be effective February 1, 1984, and should also be established for a two-year period in order to allow the operators in the Cedar Hill-Fruitland Basal Coal Pool to gather reservoir information to establish whether the temporary rules should be made permanent.

(13) That special provisions for a non-standard gas well location should be made for any well drilling to or completed in the Basal Coal member of the Fruitland formation within the proposed Cedar Hill-Fruitland Basal Coal Pool or within one mile of said pool on or before February 1, 1984, that does not comply with any special well location requirements promulgated in this order.

(14) That the vertical limits of the Mount Nebo-Fruitland Pool should be redefined to include the Fruitland formation with the exception of the Basal Coal member as designated on the type log of said Amoco Production Company's Schneider Gas Com "B" Well No. 1, as described in Finding Paragraph No. (6) above.

(15) That this case should be reopened at an examiner hearing in February, 1986, at which time the operators in the subject pool should be prepared to appear and show cause why the Cedar Hill-Fruitland Basal Coal Pool should not be developed on 160-acre spacing units.

IT IS THEREFORE ORDERED:

(1) That effective February 1, 1984, a new pool in San Juan County, New Mexico, classified as a gas pool for production from the Basal Coal member of the Fruitland formation, is hereby created and designated the Cedar Hill-Fruitland Basal Coal Pool, with the vertical limits comprising the Basal Coal member of the Fruitland formation as found from approximately 2795 feet to 2878 feet on the type log of the Amoco Production Company Schneider Gas Com "B" Well No. 1,

located 1110 feet from the South line and 1185 feet from the West line of Section 28, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico; and horizontal limits consisting of the following described area:

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM
Sections 3 through 6: All

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM
Sections 19 through 22: All
Sections 27 through 34: All

comprised of 10,240 acres, more or less, all in San Juan County, New Mexico.

(2) That Temporary Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR THE
CEDAR HILL-FRUITLAND BASAL COAL POOL
SAN JUAN COUNTY, NEW MEXICO

RULE 1. Each well completed or recompleted in the Cedar Hill-Fruitland Basal Coal Pool or in the Basal Coal member of the Fruitland formation within one mile of the Cedar Hill-Fruitland Basal Coal Pool, and not nearer to or within the limits of another designated Fruitland Basal Coal Pool shall be spaced, drilled, operated, and prorated in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 320 acres, more or less, comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision of the United States Public Land Surveys.

RULE 3. Non-standard spacing or proration units shall be authorized only after notice and hearing.

RULE 4. The first well drilled or recompleted on every standard or non-standard unit in the Cedar Hill-Fruitland Basal Coal Pool shall be located in the NE/4 or SW/4 of a single governmental section and shall be located not closer than 790 feet to any outer boundary of the tract nor closer than 130 feet to any quarter-quarter section or subdivision inner boundary.