

RULE 5. The Division Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proration unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Director may approve the application upon receipt of written waivers from all operators offsetting the proration unit or if no objection to the unorthodox location has been entered within 20 days after the Director has received the application.

RULE 6. That any subsequent well drilled or recompleted in an existing Cedar Hill-Fruitland Basal Coal standard or non-standard unit shall be authorized only after notice and hearing.

IT IS FURTHER ORDERED:

(3) That an exception is hereby granted to the Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal Pool to permit Amoco Production Company to locate its Cahn Gas Com Well No. 1, located 1030 feet from the North line and 1600 feet from the West line of Section 33, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, at an unorthodox gas well location in the NW/4 of said Section 33.

(4) That any well drilling to or completed in the Basal Coal member of the Fruitland formation within the Cedar Hill-Fruitland Basal Coal Pool or within one mile of said pool either on or before August 1, 1984, that will not comply with the well location requirements of Rule 4 is hereby granted an exception to the requirements of said rule. The operator of any such well shall notify the Aztec District Office of the Division, in writing, of the name and location of any such well on or before November 1, 1984.

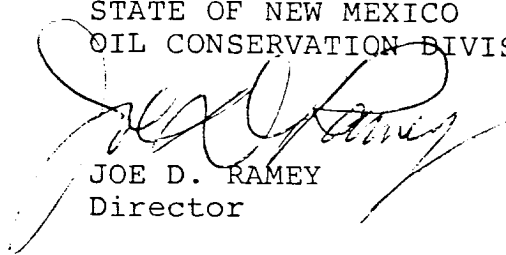
(5) That the vertical limits of the Mount Nebo-Fruitland Pool (created by Division Order No. R-4690, dated December 6, 1973, as amended by Division Order Nos. R-5843 and R-7046, dated November 2, 1978, and August 6, 1982, respectively) are hereby redefined to include the Fruitland formation with the exception of the Basal Coal member as designated on the type log of the Amoco Production Company Schneider Gas Com "B" Well No. 1, as described in Ordering Paragraph No. (1) above.

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

(7) That jurisdiction of this cause 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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