

(5) That the matter came on for hearing de novo on July 14, 1982.

(6) That because of the surveying error which was not the fault of the operator, Finding No. (9) is inappropriate in this case and should be stricken from Division Order No. R-6935.

(7) That Finding No. (11) in said order should be amended to read in its entirety as follows:

"(11) That the production limitation referred to in Finding No. (8) above should be based upon the 38 net-acre encroachment described in Finding No. (10) above, and may best be accomplished by assigning the well at the proposed location a production limitation factor of 0.76 (24 percent net-acre encroachment factor subtracted from a 100 percent production factor)."

(8) That Order No. (3) of said order should be amended to read in its entirety as follows:

"(3) That said well is hereby assigned a Production Limitation Factor of 0.76 in the Abo Formation."

(9) That Rule 1 of the "Special Rules and Regulations For The Application Of A 'Production Limitation Factor' To A Non-Prorated Gas Well" as contained in Order No. (5) should be changed to read in its entirety as follows:

"APPLICATION OF RULES

"RULE 1. These rules shall apply to the Viking Petroleum, Inc. Abo formation gas well located 62 feet from the South line and 1984 feet from the East line of Section 29, Township 5 South, Range 24 East, NMPM, Chaves County, New Mexico, which well's Production Limitation Factor of 0.76 shall be applied to the well's deliverability (as determined by the hereinafter set forth procedure) to determine its maximum allowable rate of production."

(10) That the remainder of said Order No. R-6935 should be affirmed.

IT IS THEREFORE ORDERED:

(1) That Finding No. (9) in Division Order No. R-6935, entered April 9, 1982, is hereby stricken.