

requirements of Rule 2 above without notice and hearing when an application has been duly filed under the provisions of **Division Rule 104.D (2)**.

RULE 4: Each well shall be located no closer than 330 feet to any quarter-quarter section line or subdivision inner boundary.

RULE 5: The Division Director may grant an exception to the requirements of Rule 4 without hearing when an application has been duly filed under the provisions of **Division Rule 104.F**.

RULE 6: A standard proration unit (79 through 81 acres) shall be subject to an 80-acre depth-bracket allowable of 445 barrels of oil per day. The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED THAT:

(3) The location of any well presently drilling to or completed in the Big Dog-Atoka Pool or in the Atoka formation within one mile thereof is hereby approved. The operator of any well having an unorthodox location shall notify the Division's Hobbs District Office in writing of the name and location of the well within 20 days from the date of this order.

(4) Pursuant to Paragraph A of Section 70-2-18, NMSA 1978, existing oil wells in the Big Dog-Atoka Pool shall have dedicated thereto 80 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C of Section 70-2-18, existing wells may have non-standard spacing or proration units established by the Division and dedicated thereto.

Failure to file new Forms C-102 with the Division dedicating 80 acres to a well or to obtain a non-standard unit approved by the Division within 60 days from the date of this order shall subject the well to cancellation of allowable.

(5) Unless called earlier by the motion of the Division, this case shall be reopened at an examiner hearing in November, 2003, at which time the operators in the subject pool should be prepared to appear and show cause why the temporary special pool rules for the Big Dog-Atoka Pool should not be rescinded and the pool not be developed on statewide 40-acre spacing.