

Below is the proposed language for a rule change to Rule 6.2 (Exceptions to Spacing Requirements):

Draft Proposed Amendment:

RULE 6.2. EXCEPTIONS TO SPACING REQUIREMENTS

- (e) Well spacing of new non-exempt wells completed in the District are exempted from complying with Rule 6.1(b)(2),(3), to the extent that the spacing does not allow the new well owner to produce their Production Based Acreage under Rules 7.1(c).