

POSSIBLE TO LOCATE A WELL SAID DISTANCE FROM THE BOUNDARY, AND WHERE NO AGREEMENT WITH THE OWNERS OF THE GAS AND OIL ON ADJACENT LANDS HAS BEEN MADE, A WELL MAY BE LOCATED NEARER THAN ONE THOUSAND FEET TO THE BOUNDARY WITH THE CONSENT OF THE DEPARTMENT; PROVIDED, HOWEVER, WHEN ANY PERMIT TO DRILL A WELL NEARER THAN ONE THOUSAND FEET TO THE BOUNDARY HAS BEEN APPLIED FOR, THE DEPARTMENT SHALL NOTIFY ALL LAND OWNERS, ROYALTY OWNERS OR LEASEHOLDERS WITHIN ONE THOUSAND FEET OF THE LOCATION OF SAID PROPOSED WELL, GIVING THEM A REASONABLE OPPORTUNITY TO FILE OBJECTIONS WITH THE DEPARTMENT TO THE ISSUANCE OF SUCH PERMIT; THE DEPARTMENT SHALL THEN HOLD A HEARING UPON THE SAME, AND, IF IT DETERMINES THAT IT IS NECESSARY THAT SUCH WELL BE LOCATED NEARER THAN ONE THOUSAND FEET TO THE BOUNDARY, MAY ISSUE THE PERMIT; IN THE EVENT SUCH A PERMIT IS ISSUED ANY LAND OWNER, ROYALTY OWNER OR LEASEHOLDER WITHIN ONE THOUSAND FEET OF THE PROPOSED WELL SHALL HAVE ALL THE RIGHTS TO REHEARING AND APPEAL TO THE COURTS PROVIDED IN SECTIONS 648AA AND 648BB AND THE AUTHORITY UNDER THE PERMIT ISSUED AS AFORESAID SHALL BE STAYED AND SHALL HAVE NO EFFECT UNTIL FINAL DETERMINATION OF SAID REHEARING AND APPEAL AS IN SAID SECTIONS 648AA AND 648BB PROVIDED.

(b). *The Department shall by regulation prescribe the distance between the several wells on any property that otherwise are located in relation to the boundary as provided in sub-section (a) above.*

~~648Z~~ 648X. *Where any leased land has been pooled under a so-called unit operation agreement, upon the completion of a well producing gas or oil on any of the lands included in the unit agreement, royalties from the producing well shall be paid on all lands originally included within the unit agreement, or within six months after the completion of the producing well, those lands within the unit agreement not included as "in pool" acreage and on which no royalties are payable, shall be released. ~~from the unit agreement, which as to said lands shall be thereafter null and void.~~ Provided that this section shall not extend to any leases and unit agreements in effect on the effective date of this Act.*

~~648AA~~ 648Y. (a) *The Department shall prescribe rules and regulations governing the practice and procedure before the Department.*

(b) *No rule, regulation or order, or amendment thereof, except in an emergency, shall be made by the Department without a public hearing upon at least ten (10) days' notice. The public hearing shall be held at such time and place as may be prescribed by the Department, and any interested person shall be entitled to be heard.*

(c) *When an emergency requiring immediate action is found to exist, the Department is authorized to issue an emergency order without notice or hearing, which shall be effective upon promulgation. No emergency order shall remain effective for more than fifteen (15) days.*