

CASE 5103: Application of DAVID
FASKEN FOR AN UNORTHODOX GAS
WELL LOCATION, EDDY COUNTY, N.M.

CASE No.

5103

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
Wednesday, November 14, 1973

IN THE MATTER OF:

Application of David Fasken for
an unorthodox gas well location,
Eddy County, New Mexico.

Case No. 5103

BEFORE: Richard L. Stamets
Examiner

TRANSCRIPT OF EXAMINER HEARING

1 MR. STAMETS: Call next Case 5103.

2 MR. DERRYBERRY: Case 5103, application of David
3 Fasken for an unorthodox gas well location, Eddy County,
4 New Mexico.

5 MR. STAMETS: Call for appearances in Case 5103.

6 MR. LOPEZ: My name is Owen Lopez with the firm
7 of Montgomery, Federici, Andrews, Hannahs & Morris; and
8 we are appearing on behalf of the Applicant in Case
9 5103. I have one witness to be sworn.

10 MR. STAMETS: Are there any other appearances? If
11 the witness will stand and be sworn, please.

12 JAMES B. HENRY,

13 a Witness, having been first duly sworn according to law,
14 upon his oath testified as follows:

15 DIRECT EXAMINATION

16 BY MR. LOPEZ:

17 Q Would you state your name, occupation, and by whom you
18 are employed?

19 A My name is James B. Henry. I have an engineering firm,
20 Henry Engineering, in Midland, Texas. We are on
21 retainer for Mr. Fasken to supervise the drilling
22 completions of his wells and to operate his producing
23 properties and to supply such engineering recommendations
24 as are necessary in these operations.

25 Q Mr. Henry, have you previously testified before the

Commission and had your qualifications accepted as a matter of record?

A Yes, I have.

MR. LOPEZ: Are the witness' qualifications acceptable?

MR. STAMETS: They are.

Q Now, what is it that you intend to seek by your application in Case Number 5103?

A We originally completed for our client, David Fasken, his Cameron 31 Federal Number 1 Well offset to production in the Indian Basin Morrow Gas Pool.

This well is located 1650 from the South line, 1650 from the East line of Section 31, Township 20 South, Range 25 East. The well is completed in a Middle Morrow Sand of 96 feet in thickness, and this appears to be a bar or channel type sand.

We are projecting it on the basis of dipmeter data and other structural and geological data available to us toward a location in Section 32. The optimum location for this well does not fit the 1650 distance from the lease lines prescribed by the Indian Basin Morrow Field rules which is within one mile of this proposed location.

We propose here an unorthodox location to allow the location of this well in the most desirable spot for

1 obtaining a maximum deliverability completion.

2 Q I believe the Exhibits 1 and 2 help show where the
3 first well was drilled and what you propose to do in this
4 application; isn't that correct?

5 A Yes, sir. The Exhibit 1 is a structure map on the top
6 of the Morrow clastic zone. The proposed unorthodox
7 location is designated by a red arrow in Section 32
8 near the upper-center part of the map.

9 The interval on Exhibit Number 2 that is marked
10 at the uppermost part of this log correlation marked on
11 top of the Morrow clastics is the zone that is mapped
12 on Exhibit Number 1.

13 That is the structural datum that we are using.
14 I might point out in Exhibit Number 2 that the second
15 log from the left is the log of the newly completed
16 David Fasken Cameron 31 Federal Number 1.

17 On this Exhibit in the center tract of these log
18 correlations, I have labeled the intervals here that
19 I would like to explain briefly. The Indian Hills Sand
20 is the uppermost zone and is the predominant producing
21 zone in the Indian Basin Morrow Gas Pool.

22 It is a continuous sand that covers quite a large
23 area. The Upper Morrow Carbonates that are listed here
24 is a silty, shaly, sand zone that is interspersed with
25 thin lime stringers.

1 These upper two intervals here comprise what in
2 some nomenclature systems here is called the "A" Zone
3 of the Morrow. What I have labeled here as the Middle
4 Morrow is sometimes called the "B" Zone in other systems
5 of nomenclature.

6 The Middle Morrow shale they have shown here is
7 sometimes called the "B" shale. The Lower Morrow interval
8 is by these other systems of nomenclature called the
9 "C" Sand, and the lower beds here, the Barnett shale,
10 and the Mississippi lime are shown on the two center
11 logs.

12 The other two wells did not penetrate all the way
13 through the Barnett, and there are question marks shown
14 there to indicate that the exact depths of those are not
15 available and they will be here, and it will be a
16 matter of conjecture.

17 The Cameron 31 Federal had a drill stem test,
18 Number 1, shown in the Indian Hill Zone. It's described
19 in the lower portion of the Exhibit below the well.

20 Now, this is the main Indian Hills producing zone.
21 It tested gas at the rate of 187 mcf per day. It had
22 an initial shut-in pressure of 3479, a final shut-in
23 of 3501. This is some 400 pounds below the original
24 pressure in that zone and indicates that there has been
25 limited drainage from this because the present pressure

1 in these zones is on the order of 3,000 pounds.

2 Now, this well also had a drill stem test in the
3 top 17 feet of the Middle Morrow sand, 19558 to 19580,
4 a tested gas on a quarter-inch choke at the rate of 234
5 mcf per day.

6 There was a shut-in pressure of 3813 indicating
7 that it is near original pressure or is the original
8 pressure for Middle Morrow or "B" Zone wells in this
9 area.

10 There was also a test in the bottom of this 94
11 foot sand zone, DST Number 3. It flowed at the rate of
12 51 mcf a day, a very small amount of gas; and the final
13 shut-in pressure was 3724 and still building.

14 It was run to check for water in the bottom of
15 that zone. The drill stem test Number 4 in the Lower
16 Morrow interval tested water and it had a recovery of
17 6,000 feet of salt water and a pressure of 3703 pounds.
18 Now, this is the best development we have ever seen
19 in the Indian Basin Field in the Middle Morrow Sand.

20 We have never seen a sand section as good as this
21 one except a water-bearing zone in a well directly north
22 of it. In Section 30, there is a Mobil Federal Number 1
23 Well that had a well-developed sand; and it's shown in
24 the extreme left-hand side of this log correlation chart.

25 It is structurally 40 feet low to this well, and on

1 on drill stem test it recovered 465 feet of gas-cut mud,
2 279 feet of gas and water-cut mud, 2292 feet of formation
3 water.

4 This well-developed sand in the Mobil 1 Well would
5 logically be correlated with the good sand in the
6 Cameron 31 Federal except that at the same interval
7 subsurface where one contains gas and one contains water
8 which leads to two conclusions.

9 If these are in fact the same sand accumulation,
10 they must be separated by a structural saddle in order
11 to account for the different fluid contact. That
12 structural saddle would have to be lower than the
13 lowermost sand in here where drill stem test Number 3
14 recovered gas and no water.

15 The log calculations also indicate a very high
16 gas saturation in here and no water problems. The
17 second conclusion that can be drawn is that these are
18 separate sand bars or sand accumulations that parallel
19 one another.

20 Now, on the structure map we have shown certain
21 data relative to the dipmeter that was run in the David
22 Fasken Cameron 31 Federal. The structural dip depicted
23 by the large green arrow was 4-1/2 degrees on a bearing
24 of North 72 degrees West which gave it a structural
25 strike of North 18 degrees.

1 That's depicted. The strike is depicted by the
2 dashed green line through the well. You will note that
3 the structural contours on here have been set parallel
4 to this structural strike line, and the contours have
5 been spaced in the vicinity of the well consistent with
6 a four-and-a-half degree dip as to their lateral
7 displacement.

8 Now, in here we have shown the red line; and
9 at the North end of that Northeast end of that red line
10 this is a bearing of North 37 degrees East shown on the
11 Exhibit.

12 This is a drape pattern that was detected in the
13 Upper Morrow here as showing an increase of dip with
14 depth and in a consistent direction to the Northwest
15 which gave an indication that these upper beds were
16 differentially compacted over this large sand
17 accumulation and that the sand accumulation would have
18 a strike of North 37 degrees.

19 The blue line that is shown through the Cameron
20 31 Federal and at its Northeast end has a bearing of
21 North 36 degrees. On it is the current patterns
22 determined from the dipmeter within the sand body
23 itself.

24 These current patterns here developed what in
25 dipmeter technology we call a bimodal system in that

1 there were blue patterns being a consistent decrease
2 of dipmeter with depth for dipmeter points that showed
3 a mode to the Northeast and a mode to the Southwest
4 indicating that in this system the current bedding was
5 at times reserved in here which indicates something of
6 a tidal situation in which the sands were alternately
7 deposited first one way and then the other.

8 There could have been other explanations as well,
9 but that is one explanation for what we are seeing here.
10 This generally depicts the long axis of the sand. The
11 current patterns are generally parallel to the long axis
12 of these Morrow sand accumulations.

13 The black line that you see here with the Northeast
14 end marked North, 40 would be degrees; and the two yellow
15 arrows that are a part of that line show the azimuth
16 or bearing of this sand bar.

17 If you take the average between these two methods
18 that I have just described of deeming the long axis of
19 this sand accumulation, that would give a bearing of
20 North 41 degrees.

21 Now, we have selected the location here 1,000
22 feet from the North line and 1,000 feet from the West
23 line and are suggesting and requesting an unorthodox
24 location for it.

25 Now, I think it is clear to see that if this sand

1 meanders to the Northwest such that it does in fact
2 pass through the Mobil Well, this location could still
3 be good by catching the East fringe of this sand
4 accumulation; and if in fact it goes, continues as
5 shown by the data at the Cameron 31 Federal Number 1,
6 the well would be very near the data as determined from
7 the blue patterns or the current bedding patterns.

8 We did not put it on the North 41 degrees East
9 because that would put us directly under a power line,
10 and we moved it a little bit to the East of that median
11 trend indicated here by these two methods.

12 Now, this we believe would afford a completion
13 in Section 32 comparable to the completion in Section 31
14 and would, in fact, protect the correlative rights of
15 those owners in Section 32.

16 If the sand bar does in fact meander to the
17 Northwest to pass through the Mobil Federal 1-W,
18 the 1650 location could be too far East to afford this
19 completion; and the well could result in a very poor
20 completion or a dry hole, either one of which would
21 prevent those owners in Section 32 from recovering the
22 gas underlying their section.

23 Now, in the area of the, within the Indian Basin
24 Morrow Gas Pool, there is no differentiation between
25 the zones in the Morrow, the entire Morrow interval is

1 considered one reservoir, and there are these two
2 productive sands.

3 On the right-hand side of the log exhibit, we have
4 the David Fasken Howell Com 1 that is in Section 32.
5 It had a drill stem test in the Indian Hill zone at the
6 top of the Morrow that recovered gas in limits too small
7 to measure and had a drill stem test in the Lower Morrow
8 at 247 mcf per day that did not elect to try to make
9 a completion in it.

10 The well over to the extreme right on this exhibit
11 is the David Fasken Shell Federal Number 1 which is
12 directly South of the Cameron 31 Federal in Section
13 21 South, Range 24 East; and it shows the Upper Morrow
14 Indian Hill Sand to be well-developed and is a good
15 producer from that interval.

16 Also, I would like to direct your attention to these
17 two logs and the fact that in the Middle Morrow the
18 Howell well is devoid of any productive porosity. The
19 sands are very tight and impermeable. No drilling
20 breaks, no indication on the logs that would suggest
21 any production from them.

22 In the Shell Federal in the area that's colored
23 in orange representing what we consider gas saturated
24 porosity at 9730 there is about a three-foot interval
25 that indicates to be productive.

1 This is about the typical Middle Morrow that we
2 have seen in the Indian Basin Field, and there are
3 some minimal amounts of production from them, probably
4 none of them that I know anything about that have ever
5 produced as much as a half-million feet of gas per
6 day.

7 Most of them have been in the order of 150, 200
8 mcf per day. One, immediately after frac, the Fasken
9 Skelly Federal Number 1, produced about 800 mcf; but
10 it immediately declined to less than 100.

11 Q Were these Exhibits prepared by you or under your
12 supervision?

13 A Yes, they were.

14 MR. LOPEZ: At this time, I'd like to tender
15 Exhibits 1 and 2 on behalf of the Applicant.

16 MR. STAMETS: They will be admitted into evidence.

17 Q Is there anything further you would like to add, Mr.
18 Henry?

19 A I believe that's all I have.

20 MR. LOPEZ: There is nothing further.

21 CROSS-EXAMINATION

22 BY MR. STAMETS:

23 Q Mr. Henry, what is the ownership of the South half of
24 Section 30 and South half of Section 29 immediately
25 North of the proposed location?

- 1 A All of Section 39 is owned by Mr. Fasken.
- 2 Q Section 29?
- 3 A 29 and Section 30 is under contract, under a development
4 obligation to Mr. Fasken.
- 5 Q So Mr. Fasken is his own offset operator in this case?
- 6 A Yes. That's correct. Section 33 is owned by Gulf Oil
7 Corporation and part of Section 6 is owned by Shell
8 Oil Company. In 32, there is some acreage owned by
9 Phillips Petroleum Company.
- 10 All of these have been advised of this application.
11 Phillips has agreed to join in the drilling of the
12 well in 32, and we have had no response from Shell or
13 Gulf. They were notified about fifteen days ago of this
14 application.
- 15 Q The blue color on Exhibit Number 2 represents
16 water-saturated sand?
- 17 A That's correct.
- 18 Q Also on Exhibit 2, I notice on the Howell (32) Com Well
19 that there is a relatively thick sand section in the
20 Middle Morrow. It does appear to be tight from the
21 logs.
- 22 Was that tested or did you have other information
23 indicating no productivity there?
- 24 A We had no drilling breaks. The sample showed a very
25 fine-grained silty sand; and the logs did not indicate

1 any permeability or porosity sufficient to make a well.

2 I think you will notice that it does thin
3 substantially from the Cameron 31 Federal. There is a
4 substantial amount of thinning in the cross section in
5 here which we believe is reflecting that this thicker
6 sand is opening up to the West of the Howell Well.

7 Q What acreage will be dedicated to this proposed well?

8 A Section 32.

9 Q That's right. This is 640, I believe.

10 A I believe that's automatic, isn't it, on the offset to
11 a producing field with field rules?

12 Q It would be. That's right. And it's your testimony
13 that in order to develop this channel sand and for
14 the owners of the rights under Section 32, for them
15 to develop their interest this well must be drilled
16 at the location you proposed?

17 A Yes, sir.

18 Q At least for them to have the opportunity? This channel
19 may go somewhere else?

20 A Right. This is the best information we have here; and
21 the meander of these channels from one point is very,
22 very difficult to predict. We do find in other areas
23 that the channels have a sustained direction, but
24 they meander locally along that main trend.

25 This is by no means to imply that we think this is

1 an absolute cinch to produce.

2 Q Mr. Henry, I know its not covered in this Hearing, but
3 do you have any opinion as to a minimum horizontal
4 distance that should be allowed between wells developed
5 in a channel sand like this one?

6 A We know from other areas that we have gone from zero
7 net sand to over 100 feet and 300 feet; and I really
8 feel like that in Morrow development we need a
9 substantial flexibility; and it would be very desirable
10 in pursuing these channel sands to have them on a
11 660 foot spacing from the proration unit boundaries.
12 They probably need to be on closer than 640-spacing.

13 Q You think they should be closer than 640 and a minimum
14 of 660 from the property line or from the tract?

15 A Right. Without regard to which end of the proration
16 unit we are on.

17 Q So roughly 1320 feet minimum distance between wells?

18 A Right.

19 MR. STAMETS: Are there any other questions of
20 the witness? Do you have anything further?

21 MR. LOPEZ: No.

22 MR. STAMETS: The witness may be excused. If there
23 is nothing further in this case, we will take the case
24 under advisement.

25 * * * * *

dearnley, meier & associates

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

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C E R T I F I C A T E

I, JANET RUSSELL, a Court Reporter, in and for the
County of Bernalillo, State of New Mexico, do hereby certify
that the foregoing and attached Transcript of Hearing before
the New Mexico Oil Conservation Commission was reported by me;
and that the same is a true and correct record of the said
proceedings to the best of my knowledge, skill and ability.


COURT REPORTER

I hereby certify that the foregoing is
a true and correct copy of the
Transcript of Hearing before the
New Mexico Oil Conservation Commission, 1973.

New Mexico Oil Conservation Commission

dearnley, meier & associates

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMILLO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

November 21, 1973

Mr. Owen Lopez
Montgomery, Federici, Andrews,
Hannahs & Buell
Attorneys at Law
Post Office Box 2307
Santa Fe, New Mexico

Re: CASE NO. 5103

ORDER NO. R-4674

Applicant:

David Fasken

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X
Artesia OCC X
Aztec OCC X

Other _____

REPORT OF THE OIL CONSERVATION COMMISSION
TO THE PEOPLE OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5103
Order No. R-4674

APPLICATION OF DAVID FASKEN
FOR AN UNORTHODOX GAS WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 14, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of November, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, David Fasken, seeks approval for an unorthodox gas well location for a well to be drilled at a point 1000 feet from the North line and 1000 feet from the West line of Section 32, Township 20 South, Range 25 East, NMPM, Indian Hills-Morrow Gas Pool, Eddy County, New Mexico.

(3) That all of said Section 32 is to be dedicated to the well.

(4) That the proposed unorthodox location is based upon a projection of a Morrow Channel sand.

(5) That the unorthodox location is necessary to effectively develop the Morrow formation in said Section 32.

(6) That the applicant is the owner of all mineral interests offsetting the proposed unorthodox location.

(7) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Indian Hills-Morrow gas pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

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CASE NO. 5193

Order No. R-4674

(1) That the applicant, David Fasken, is hereby authorized to drill a well at an unorthodox location at a point 1000 feet from the North line and 1000 feet from the West line of Section 32, Township 20 South, Range 25 East, NMPM, Indian Hills-Morrow Gas Pool, Eddy County, New Mexico.

(2) That all of said Section 32 shall be dedicated to the well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



[Signature]
L. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

[Signature]
A. L. PORTER, JR., Member & Secretary

S E A L

jr/

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 14, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 5044: (Continued from the October 3, 1973, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Sycor Newton, Peru Milling Company, R. E. Deming and Aetna Life and Casualty Company and all other interested parties to appear and show cause why the State L 6350 Well No. 1 located in Unit M of Section 10, Township 23 South, Range 11 West, Luna County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5098: Application of R. J. Zonne for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a Morrow gas pool for his Federal Well No. 1 located in Unit G of Section 20, Township 22 South, Range 32 East, Lea County, New Mexico, and the promulgation of special rules therefor, including a provision for 640-acre spacing.

CASE 4849: (Reopened)

In the matter of Case No. 4849 being reopened pursuant to the provisions of Order No. R-4436 which order established temporary special rules for the Humble City-Atoka Pool, Lea County, New Mexico, including a provision for 80-acre spacing. All interested parties may appear and show cause why said pool rules should remain in effect.

CASE 5099: Application of Pennzoil Company for a pool creation, special pool rules and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a Wolfcamp gas pool for its Moore Com Well No. 1 located at an unorthodox Wolfcamp location 2310 feet from the South line and 660 feet from the East line of Section 23, Township 22 South, Range 26 East, Eddy County, New Mexico, and the promulgation of special pool rules therefor, including a provision for 320-acre spacing.

CASE 5100: Application of Estill Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the W/2 of Section 21, Township 18 South, Range 33 East, South Corbin-Morrow Gas Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

- CASE 5101: Application of Southern Union Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for its McKittrick-Federal Well No. 1 at a point 2390 feet from the North line and 830 feet from the East line of Section 14, Township 22 South, Range 24 East, Eddy County, New Mexico, the E/2 of said Section 14 to be dedicated to the well.
- CASE 5102: Application of Anne Burnett Tandy dba Windfohr Oil Company for two waterflood projects, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute two waterflood projects by the injection of water into the Grayburg and San Andres formations through 6 wells on its Jackson "B" Lease and through 3 wells on its Gissler "B" Lease, located in Sections 1 and 11, respectively, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico.
- CASE 5103: Application of David Fasken for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location at a point 1000 feet from the North and West lines of Section 32, Township 20 South, Range 25 East, Indian Hills-Morrow Gas Pool, Eddy County, New Mexico.
- CASE 5104: Application of El Paso Natural Gas Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Rocky Arroyo "C" Well No. 1 located in Unit F of Section 8, Township 22 South, Range 22 East, Rocky Arroyo Field, Eddy County, New Mexico, in such a manner as to produce gas from the Canyon formation and gas from the Morrow formation through the casing-tubing annulus and through the tubing, respectively.
- CASE 5105: Application of Stallworth Oil and Gas for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location at a point 760 feet from the North line and 860 feet from the West line of Section 11, Township 9 South, Range 33 East, Vada-Pennsylvanian Pool, Lea County, New Mexico, as an exception to the provisions of Rule 4 of Order No. R-3179-A.
- CASE 5106: Application of Read & Stevens, Inc. for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for its Harris Federal Well No. 2 at a point 990 feet from the North line and 2310 feet from the West line of Section 24, Township 15 South, Range 27 East, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, as an exception to Rule 2 of Order No. R-1670-H, the N/2 of said Section 24 to be dedicated to said well.

CASE 5107: Southeastern nomenclature case calling for the extension of certain pools in Lea County, New Mexico.

(a) Extend the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 2: S/2

(b) Extend the Blinebry Oil Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 1: SE/4
Section 12: NE/4

(c) Extend the Blinebry Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 1: SE/4
Section 12: NE/4

(d) Extend the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 12: SW/4

(e) Extend the South Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 2: SE/4

(f) Extend the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 7: SE/4
Section 8: SW/4
Section 17: N/2 NW/4

(g) Extend the West Garrett-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 38 EAST, NMPM
Section 31: SE/4

Examiner Hearing - Wednesday - November 14, 1973

Docket No. 32-73

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(h) Extend the High Plains-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 26: NW/4

CASE 5114: Application of Texaco Inc. and Perry R. Bass for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests underlying the W/2 of Section 32, Township 20 South, Range 33 East, South Salt Lake-Morrow Gas Pool, Lea County, New Mexico, to be dedicated to the well currently being drilled by Amini Oil Company at an unorthodox location for said 320-acre unit at a point 990 feet from the South line and 1980 feet from the West line of said Section 32.

J. O. SETH (1883-1963)

A. K. MONTGOMERY
W. M. R. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
RICHARD S. MORRIS
SUMNER G. BUELL
SETH D. MONTGOMERY
FRANK ANDREWS III

OWEN M. LOPEZ
JEFFREY R. BRANNEN
JOHN BENNETT POUND

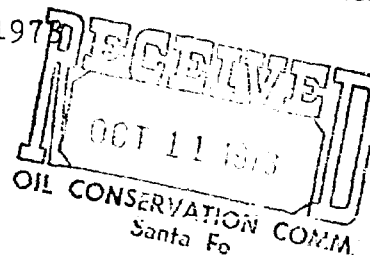
MONTGOMERY, FEDERICI, ANDREWS, HANNAHS & MORRIS

ATTORNEYS AND COUNSELORS AT LAW

350 EAST PALACE AVENUE
SANTA FE, NEW MEXICO 87501

POST OFFICE BOX 2307
AREA CODE 505
TELEPHONE 982-3876

October 10, 1978



New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico 87501

Gentlemen:

I am enclosing the original and two copies of an application by David Fasken for approval of an unorthodox gas well location in the Indian Hills-Morrow Gas Pool, Eddy County, New Mexico. I would appreciate your setting this application for a hearing before an examiner on the appropriate date.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Sumner Buell".

SGB/cd
Enclosures
5086-73-25

cc: Mr. Richard S. Brooks
Attorney at Law
First National Bank Building
Midland, Texas 79701

Mr. James B. Henry - w/enclosure
Henry Engineering
First National Bank Building
Midland, Texas 79701

COPIES: MAILED

Date 11-1-78

J. O. SETH (1883-1963)

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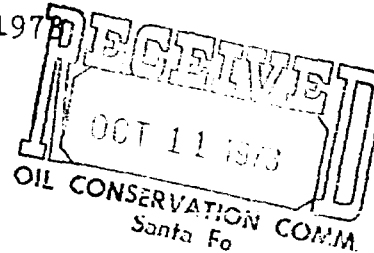
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October 10, 1973



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State Land Office Building
Santa Fe, New Mexico 87501

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I am enclosing the original and two copies of an application by David Fasken for approval of an unorthodox gas well location in the Indian Hills-Morrow Gas Pool, Eddy County, New Mexico. I would appreciate your setting this application for a hearing before an examiner on the appropriate date.

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First National Bank Building
Midland, Texas 79701

Mr. James B. Henry - w/enclosure
Henry Engineering
First National Bank Building
Midland, Texas 79701

DOCKET MAILED

Date 11-1-73

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION OF DAVID FASKEN FOR)
APPROVAL OF AN UNORTHODOX GAS)
WELL LOCATION, INDIAN HILLS-)
MORROW GAS POOL, EDDY COUNTY,)
NEW MEXICO)

Case No. 5-163

APPLICATION

Comes now DAVID FASKEN, by his attorneys, and applies to the New Mexico Oil Conservation Commission for approval of an unorthodox gas well location in the Indian Hills-Morrow Gas Pool, Eddy County, New Mexico, and in support of his application states:

1. Applicant is an owner and operator in Section 32, T. 20 S., R. 25 E., Eddy County, New Mexico.
2. Applicant proposes to drill a well in the Indian Hills-Morrow Gas Pool at an unorthodox location 1000 feet from the North line and 1000 feet from the West line of said Section 32 to projected depth of approximately 10,000 feet.
3. Approval of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that this application be set for hearing before the Commission, or one of its examiners, at the earliest practicable date, and that the Commission enter its order approving the unorthodox location as requested herein.

MONTGOMERY, FEDERICI, ANDREWS,
HANNAIS & BUELL

By Samuel Buell
P. O. Box 2307
Santa Fe, New Mexico 87501
Attorneys for David Fasken

DRAFT

jr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5103

Order No. R-4674

APPLICATION OF DAVID FASKEN
FOR AN UNORTHODOX GAS WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 14, 19 73,
at Santa Fe, New Mexico, before Examiner Richard J. Starnes.

NOW, on this day of November, 19 73 the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, David Fasken, seeks approval for an unorthodox
gas well location for a well to be drilled at a point 1000 feet from the
line and 1000 feet from the
North ~~and~~ West lines of Section 32, Township 20 South, Range 25 East,
NMPM, Indian Hills-Morrow Gas Pool, Eddy County, New Mexico.

(3) That ~~the 1/2~~ ^{all} of said Section 32 is to be dedicated to the well.

-2-

CASE NO. 5103

Order No. R-

(4) That the proposed unorthodox location is based upon a projection of a Morrow Channel sand.

(5) That the unorthodox location is necessary to effectively develop the Morrow formation in said Section 32.

(6) That the applicant is the owner of all mineral interests offsetting the proposed unorthodox location.

(7) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Indian Hills-Morrow Gas Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, David Fasken, is hereby authorized to drill a well at an unorthodox location at a point 1000 feet from the ~~line and~~ *line and 1000 feet from the* North ~~and~~ West line of Section 32, Township 20 South, Range 25 East, NMPM, Indian Hills-Morrow Gas Pool, Eddy County, New Mexico.

(2) That ~~the South half~~ *Att all* of said Section 32 shall be dedicated to the well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe New Mexico on the day and year hereinabove designated