

CASE No.

5266

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
July 10, 1974

EXAMINER HEARING

-----  
IN THE MATTER OF: )  
 )  
 )

Application of David Fasken for )  
an unorthodox location, Eddy )  
County, New Mexico. )  
 )  
 )  
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CASE 5266

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil  
Conservation Commission:

Thomas Derryberry, Esq.  
Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico

For the Applicant:

Sumner Buell, Esq.  
MONTGOMERY, FEDERICI, ANDREWS,  
HANNAHS & BUELL  
350 East Palace Avenue  
Santa Fe, New Mexico

I N D E X

Page

JAMES B. HENRY

Direct Examination by Mr. Buell

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E X H I B I T S

Marked      Admitted

Applicant's Exhibit No. 1

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7

Applicant's Exhibit No. 2

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HENRY-DIRECT

CASE 5266

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MR. NUTTER: We will call Case No. 5266.

MR. BUELL: Mr. Examiner, I am Sumner Buell of Montgomery, Federici, Andrews, Hannahs and Buell of Santa Fe appearing on behalf of the Applicant. We have one witness, Mr. Henry, and ask that he be sworn.

MR. DERRYBERRY: I'll call the case. Case 5266, application of David Fasken for an unorthodox location, Eddy County, New Mexico.

MR. BUELL: Do you want to re-swear Mr. Henry?

MR. NUTTER: Mr. Henry is still under oath.

JAMES B. HENRY

called as a witness, and having been previously sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. BUELL:

Q Would you state your name, please?

A James B. Henry.

Q Mr. Henry, by whom are you employed, in what capacity, and where?

A Henry Engineering, Midland, Texas, appearing on behalf of David Fasken.

Q Have you previously testified before the Commission or one of its examiners and had your qualifications accepted?

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as a matter of record?

A Yes, I have.

Q Are you familiar with what the Applicant seeks in Case 5266?

A Yes, I am.

Q What does the Applicant seek?

A In this Case we seek an unorthodox location for a well to be drilled in the south half of Section 29, Township 20 South, Range 25 East, and this acreage has already been assigned by a Nomenclature Hearing to the Cemetery-Morrow Pool, and it is within that pool which provides for 320-acre spacing with the well to be located 660 from the long side of the half-section unit and 1980 from the short side or end of the 320 unit, and here we seek to drill a well 1300 feet from the west line and 1300 feet from the south line in conformance with certain sand trends that we have determined from dip meter interpretation.

Q Mr. Henry, referring you to what has been marked for identification as Applicant's Exhibit No. 1, would you explain what is on that, please?

A On Exhibit No. 1 is a structure map contoured on the top of the Morrow clastics interval. The lines are depicted in black and show the structural configuration of

the area. The red lines on here delineate the south boundary of the Cemetery-Morrow Pool and the northern boundary of the Indian Basin Morrow Gas Pool. The green arrow in Section 29 shows the proposed location, the foot-ages from the lease line are shown on it as being 1320 from the west and 1320 from the south line. Also in Section 32 we have shown in green numerals another non-standard or unorthodox location that was approved 1,000 feet from the west line and 1,000 feet from the north line on similar dip meter evidence earlier by this Commission. The area in the southeast corner of Section 30 shows a location that has been approved by this Commission on the application of Read and Stevens for an unorthodox location 990 feet from the east line and 660 feet from the south line of that Section.

Q Referring you now to what has been marked for identification as Exhibit No. 2, would you explain what is depicted on this Exhibit?

A On Exhibit No. 2 we have shown the wells in this same area as is shown on Exhibit No. 1, and to the right of the wells we have listed the absolute open flow potentials on these wells on original completion. To the left of the well spot we have shown the zones "A", "B", and "C" zones or

upper, middle, and lower Morrow as commonly used in the area that are perforated and productive in each Morrow interval in the well bore, and commencing down in Sections 4 and 5 are two of the older wells completed in 1965 and '66 in the Indian Basin Morrow Pool, producing out of the "A" zone. The "B" zone is productive in the David Faskin Cameron 31 Federal in Section 1, the "C" zone there was water productive, although well developed. The "A" zone was a very low-capacity producer and was not perforated. All three zones are present in Section 32, the zone "A" being designated "A" prime in that it had original pressure comparable to the original pressure in the well to the south and apparently had not been influenced by that production. The well in the north half of Section 29 is a "C" zone producer only. The "A" and "B" zones were missing in this well; they were pinched out and/or faulted out. The well in the south half of Section 20, the Faskin Gossett 20 No. 1 has both the "A" prime, "B" and "C" zones, and what we seek to do by moving the location in Section 29 to the 1300 spot is to enhance the probability of encountering the "A" prime and "B" zones in Section 29 that as of this date are not productive in that Section, although we think that basically the west half of that Section is underlain by those

HENRY-DIRECT

CASE 5266

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two zones and could be productive, and the normal locations are not conducive to the most optimum spot for the "A" and "B" zones, although we think any location in there would probably be okay for the "C" zone.

Q Is it your opinion that the granting of this application would prevent waste and protect correlative rights?

A Yes, it is. I believe we need to develop the reserves in Section 29 for the interest owners in that Section which contains State, Federal and fee lands.

Q Were Exhibits 1 and 2 prepared by you or under your supervision?

A Yes, they were.

MR. BUELL: I move the introduction of Exhibits 1 and 2.

MR. NUTTER: Applicant's Exhibits 1 and 2 will be admitted into evidence.

(Whereupon, Exhibits 1 and 2 were admitted into evidence.)

MR. BUELL: I have nothing further, Mr. Examiner.

MR. NUTTER: Does anyone have any questions of the witness? He may be excused. Do you have anything further?

MR. BUELL: No, sir.

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CASE 5266  
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MR. NUTTER: Does anyone have anything they wish  
to offer in Case 5266?

We will take the Case under advisement.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Richard L. Nye  
RICHARD L. NYE, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5266, heard by me on 7/10, 1974.

James H. Smith, Examiner  
New Mexico Oil Conservation Commission

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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. ARMIJO  
MEMBER**

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

**July 30, 1974**

Re: CASE NO. 5265 and (5266)

ORDER NO. R-4828 & R-4829

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

**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	<u>X</u>
Artesia OCC	<u>X</u>
Aztec OCC	

Other

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. 5266  
Order No. R-4829

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 10, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of July, 1974, 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 of an unorthodox gas well location 1300 feet from the South line and 1300 feet from the West line of Section 29, Township 20 South, Range 25 East, NMPM, to test the Morrow formation, Cemetery-Morrow Gas Pool, Eddy County, New Mexico.

(3) That the S/2 of said Section 29 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the dedicated tract.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

-2-

Case No. 5266  
Order No. R-4829

IT IS THEREFORE ORDERED:

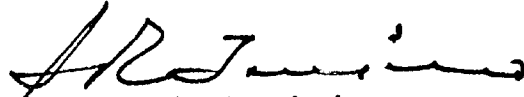
(1) That an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 1300 feet from the South line and 1300 feet from the West line of Section 29, Township 20 South, Range 25 East, NMPM, Cemetery-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the S/2 of said Section 29 shall be dedicated to the above-described well.

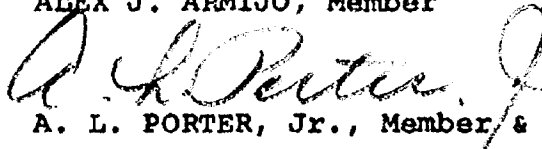
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

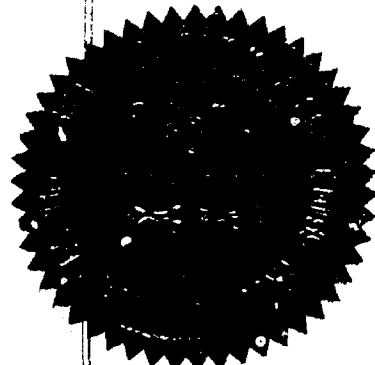
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

  
A. L. PORTER, Jr., Member & Secretary



S E A L

dr/

Docket No. 19-74

Dockets Nos. 21-74 and 22-74 are tentatively set for hearing on July 24 and August 7. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 10, 1974

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:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for August, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for August, 1974.

CASE 3608: (Reopened) (Continued from the June 19th Examiner Hearing)

In the matter of Case No. 3608 being reopened pursuant to the provisions of Order No. R-3282, which order established temporary rules for the Carlsbad Permo-Penn Gas Pool, Eddy County, New Mexico, including a provision for 640-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

CASE 5265: Application of David Fasken for an unorthodox location and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of a well to be drilled to the Morrow formation at a point 1664 feet from the North line and 660 feet from the East line of Section 1, Township 21 South, Range 26 East, Eddy County, New Mexico. Applicant further seeks approval for a 281.3-acre non-standard proration unit for said well comprising all of Lots 1 through 8 of said Section 1.

CASE 5266: Application of David Fasken for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for a well to be drilled to the Morrow formation at a point 1300 feet from the South and West lines of Section 29, Township 20 South, Range 25 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of said Section 29 to be dedicated to the well.

CASE 5267: Application of Mark Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 1, Township 18 South, Range 26 East, Atoka-Pennsylvanian Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location 990 feet from the South and East lines of said Section 1. Also to be considered will

(Case 5267 continued from Page 1)

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 5268: Application of Anadarko Production Company, General American Oil Company of Texas and Shenandoah Oil Corporation for four waterflood projects, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to institute four cooperative waterflood projects by the injection of water into the Grayburg-San Andres formation in Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico as follows:

Project No. 1: Anadarko's Loco Hills "A" Federal lease by the conversion of four wells in Sections 10 and 15 to water injection;

Project No. 2: Anadarko's Loco Hills "B" Federal lease by the conversion of three wells in Section 9;

Project No. 3: General American Parke "F" lease by the conversion of one well in Section 10;

Project No. 4: Shenandoah's Parke "B" lease by the conversion of two wells in Section 15.

CASE 5269: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Estacado Unit Area comprising 1280 acres, more or less, of State and fee lands in Township 14 South, Range 35 East, Lea County, New Mexico.

CASE 5270: Application of Texaco Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 33, Township 24 South, Range 26 East, White City-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to applicant's White City Com. Well No. 1 in Unit F of said Section 33.

CASE 5271: Application of Merrion & Bayless for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 13, Township 24 North, Range 6 West, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit in Unit F of said Section 13. 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 5272: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Consolidated Oil and Gas, Inc., United States Fidelity & Guaranty Company and all other interested parties to appear and show cause why the Consolidated Oil and Gas, Inc., Price Well No. 1 located in Unit N, Section 15, Township 31 North, Range 13 West, San Juan County, New Mexico, should not be recompleted as a single-zone well or be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5273: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Eastern Petroleum Corporation, United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the following wells should not be abandoned in accordance with a Commission-approved plugging program:

Castillo #1 located in Unit P, Section 35, Township 20 North, Range 7 West, McKinley County, New Mexico;

Chopup #1 located in Unit N, Section 30, Township 19 North, Range 6 West, McKinley County, New Mexico;

Chacra Mesa #1 located in Unit B, Section 14, Township 19 North, Range 7 West, McKinley County, New Mexico;

Blackjack #1 located in Unit P, Section 12, Township 21 North, Range 9 West, San Juan County, New Mexico;

Pornada #1 located in Unit H, Section 27, Township 18 North, Range 7 West, McKinley County, New Mexico.

CASE 4749: (Reopened)

In the matter of Case No. 4749 being reopened pursuant to the provisions of Order No. R-4338-A, which order continued special rules for the Humble City-Strawn Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

CASE 4946: (Reopened)

In the matter of Case No. 4946 being reopened pursuant to the provisions of Order No. R-4581, which order established temporary rules for the Crosby-Fusselman Associated Pool, Lea County, New Mexico. All interested parties may appear and show cause why said rules should not be rescinded.

CASE 5110: (Continued from January 16, 1974)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the institution of gas prorationing in



(Case 5110 continued from Page 3)

the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, to provide for fixing the total allowable natural gas production from said pool to an amount equal to reasonable market demand and to the capacity of the gas transportation facilities. Also to be considered will be the adoption of special rules and regulations for said pool including a provision for allocating the allowable production among the wells in the pool. NOTE: This case will be continued to the first Examiner Hearing in January, 1975.

CASE 5274: Southeastern nomenclature case calling for the creation, abolishment, and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Black River-Wolfcamp Gas Pool. The discovery well is Amoco Production Company Herren Federal Gas Com Well No. 1 located in Unit K of Section 7, Township 24 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM  
Section 7: SW/4

(b) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Cooper-Morrow Gas Pool. The discovery well is the El Paso Natural Gas Company Cooper Federal Well No. 1 located in Unit F of Section 21, Township 24 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM  
Section 21: N/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Malaga-Morrow Gas Pool. The discovery well is Phillips Petroleum Company Malaga A Well No. 1 located in Unit L of Section 2, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM  
Section 2: W/2

(d) Abolish the Bell Lake-Pennsylvanian Gas Pool in Lea County, New Mexico, described as:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM  
Section 36: SE/4

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 30: All  
Section 31: All

(Case 5274 continued from Page 4)

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM  
Section 1: NE/4

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 6: NW/4

(e) Create a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production with a provision for 160-acre spacing units and designated as the Bell Lake-Atoka Gas Pool. The discovery well is the Continental Oil Company Bell Lake Unit Well No. 2 located in Unit N of Section 30, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 30: SW/4

(f) Create a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the South Bell Lake-Atoka Gas Pool. The discovery well is the Continental Oil Company Bell Lake Unit 1 Well No. 4 located in Unit F of Section 6, Township 24 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 6: W/2

(g) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production with a provision for 160-acre spacing units and designated as the South Bell Lake-Morrow Gas Pool. The discovery well is the Continental Oil Company Bell Lake State 3 Well No. 5 located in Unit G of Section 1, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM  
Section 36: SE/4

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 31: SW/4

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM  
Section 1: NE/4

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

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM  
Section 6: NE/4

- (i) Extend the Black River-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM  
Section 12: SW/4

- (j) Extend the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 27: N/2

- (k) Extend the Cabin Lake-Strawn Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM  
Section 11: W/2 NE/4

- (l) Extend the Cemetary-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM  
Section 8: All

- (m) Extend the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 17: N/2

- (n) Extend the Eagle Creek-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM  
Section 13: W/2 SW/4  
Section 28: SW/4  
Section 29: S/2

- (o) Extend the Hat Mesa-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM  
Section 10: E/2  
Section 11: W/2

- (p) Extend the Loco Hills Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM  
Section 23: NE/4 NE/4

(q) Extend the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM  
Section 18: N/2

(r) Extend the Rocky Arroyo-Canyon Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM  
Section 4: S/2  
Section 5: S/2

(s) Extend the Townsend-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 9: N/2 and SE/4

(t) Extend the Twin Lakes-San Andres Pool in Chaves County, New Mexico, to include therein:

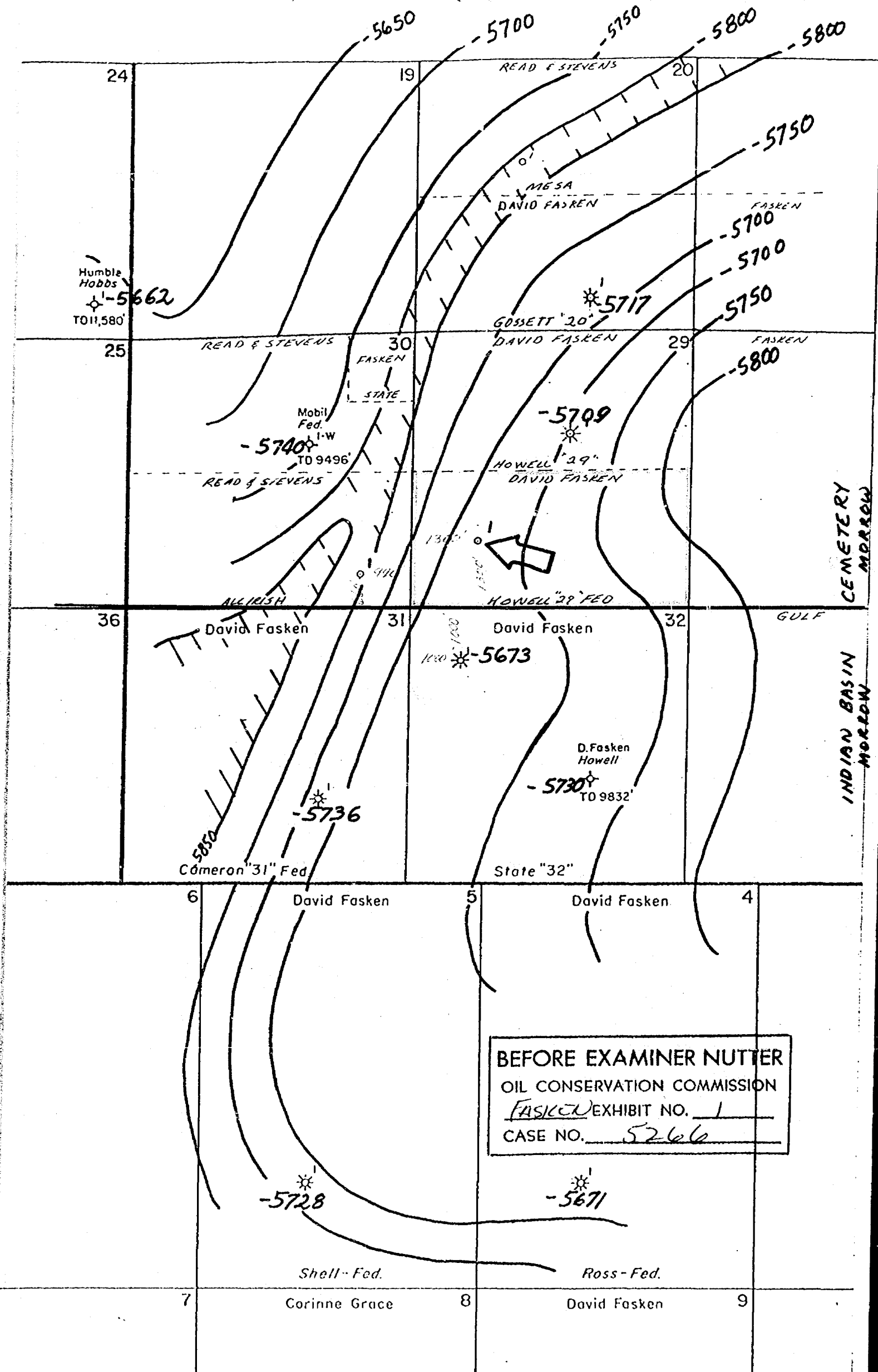
TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM  
Section 36: SW/4 SE/4

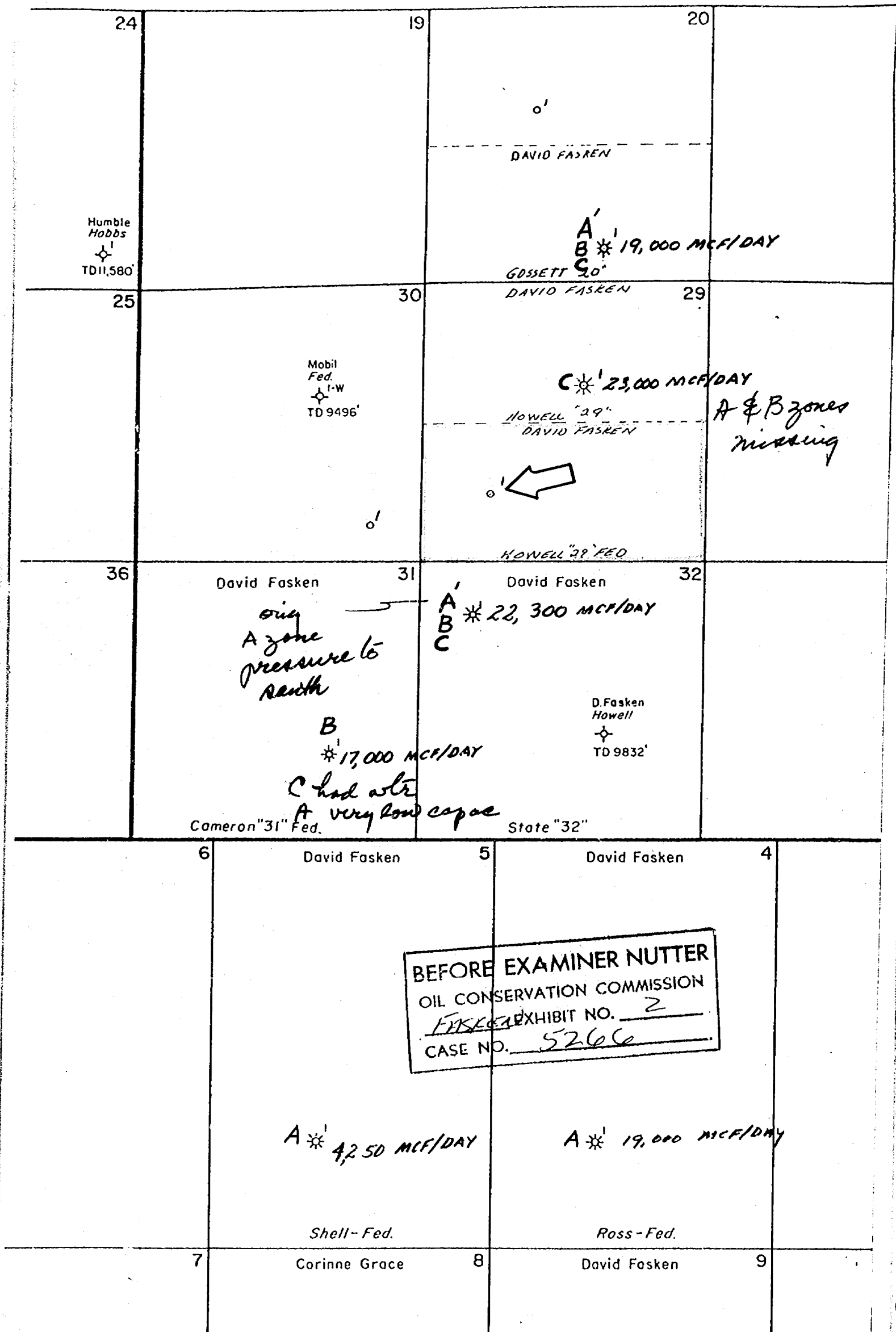
(u) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
Section 16: SE/4

(v) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM  
Section 11: NW/4





BEFORE THE  
NEW MEXICO STATE OIL CONSERVATION COMMISSION

APPLICATION OF DAVID FASKEN TO  
DRILL AN UNORTHODOX LOCATION IN  
Section 29, Township 20 South,  
Range 25 East, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.

No. 5266

APPLICATION

Comes now the applicant by and through his attorneys  
and applies to this Commission for an Order to permit the  
drilling of an unorthodox location, Section 29, Township 20  
South, Range 25 East, N.M.P.M., Eddy County, New Mexico:

1. Applicant is the operator in the south one/half  
of Section 29, Township 20 South, Range 25 East N.M.P.M. and  
proposes to drill a Morrow well in a yet undesignated Morrow  
field that applicant believes will soon be designated as part  
of the Cemetery-Morrow field.

2. Applicant proposes to drill this Morrow well 1300  
feet from the south line and 1300 feet from the west line in  
the south one/half of Section ~~29~~ 29, Township 20 South, Range 25 East,  
N.M.P.M.

3. The granting of this application will prevent waste  
and protect correlative rights.

4. Offset operators that might be interested are Read  
and Stevens.

5. Applicant asks that this application be set for

DOCKET MAILED

EX-6-27-74

hearing at the most convenient time before an examiner designated  
by the Commission.

MONTGOMERY, FEDERICI, ANDREWS,  
HANNAHS & BUELL

By

*Sam Buell*

Post Office Box 2307  
Santa Fe, New Mexico 87501



DRAFT

dr/.

*[Handwritten initials]*

*(135)*

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:

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CASE NO. 5266

Order No. R-4829

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

*[Handwritten signature]*

*[Handwritten signature]*

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 10, 1974,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of July, 1974, 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 of an  
unorthodox gas well location 1300 feet from the South line and  
1300 feet from the West line of Section 29, Township 20 South,  
Range 25 East, NMPM, to test the Morrow formation, Cemetery-  
Morrow Gas Pool, Eddy County, New Mexico.

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(3) That the S/2 of said Section 29 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the <sup>dedicated tract</sup> ~~proration unit~~.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 1300 feet from the South line and 1300 feet from the West line of Section 29, Township 20 South, Range 25 East, NMPM, Cemetery-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the S/2 of said Section 29 shall be dedicated to the above-described 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.

CASE 5266: Application of DAVID  
FASKEN FOR AN UNORTHODOX LOCATION  
EDDY COUNTY, NEW MEXICO.