

entered December 6, 1972
A.H.

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. 4733
Order No. R-4409-A

APPLICATION OF DAVID FASKEN FOR
POOL CONTRACTION AND CREATION
OF A NEW GAS POOL, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing de novo at 9 a.m. on November 21, 1972, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 6th day of December, 1972, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 after an examiner hearing, Commission Order No. R-4409, dated September 27, 1972, was entered in Case No. 4733 denying the application of David Fasken for the contraction of the Indian Basin-Morrow Gas Pool by the deletion therefrom of all of Sections 4 and 5, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, and the creation of a new gas pool comprising said lands.

(3) That David Fasken requested and was granted a hearing de novo of Case No. 4733.

(4) That the evidence presented at the hearing de novo clearly establishes that there is communication within the Morrow formation between the aforesaid Sections 4 and 5 and the remainder of the Indian Basin-Morrow Gas Pool.

(5) That the Morrow formation underlying said Sections 4 and 5 and the Morrow formation underlying the remainder of the Indian Basin-Morrow Gas Pool constitute a single common source of gas supply.

-2-

Case No. 4733
Order No. R-4409-A

(6) That to separate the Indian Basin-Morrow Gas Pool into two parts and to permit the wells in said Sections 4 and 5 to produce at unrestricted rates would afford said wells an undue share of the recoverable gas reserves in the pool and would result in unratable take and would violate the correlative rights of other mineral interest owners in the pool.

(7) That in order to prevent unratable take and protect correlative rights and prevent waste, the Indian Basin-Morrow Gas Pool should not be contracted, a separate pool should not be created, and Order No. R-4409 should be reaffirmed.

IT IS THEREFORE ORDERED:

(1) That Commission Order No. R-4409, dated September 27, 1972, be and the same is hereby reaffirmed in its entirety.

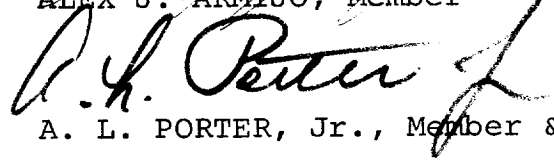
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

S E A L

dr/