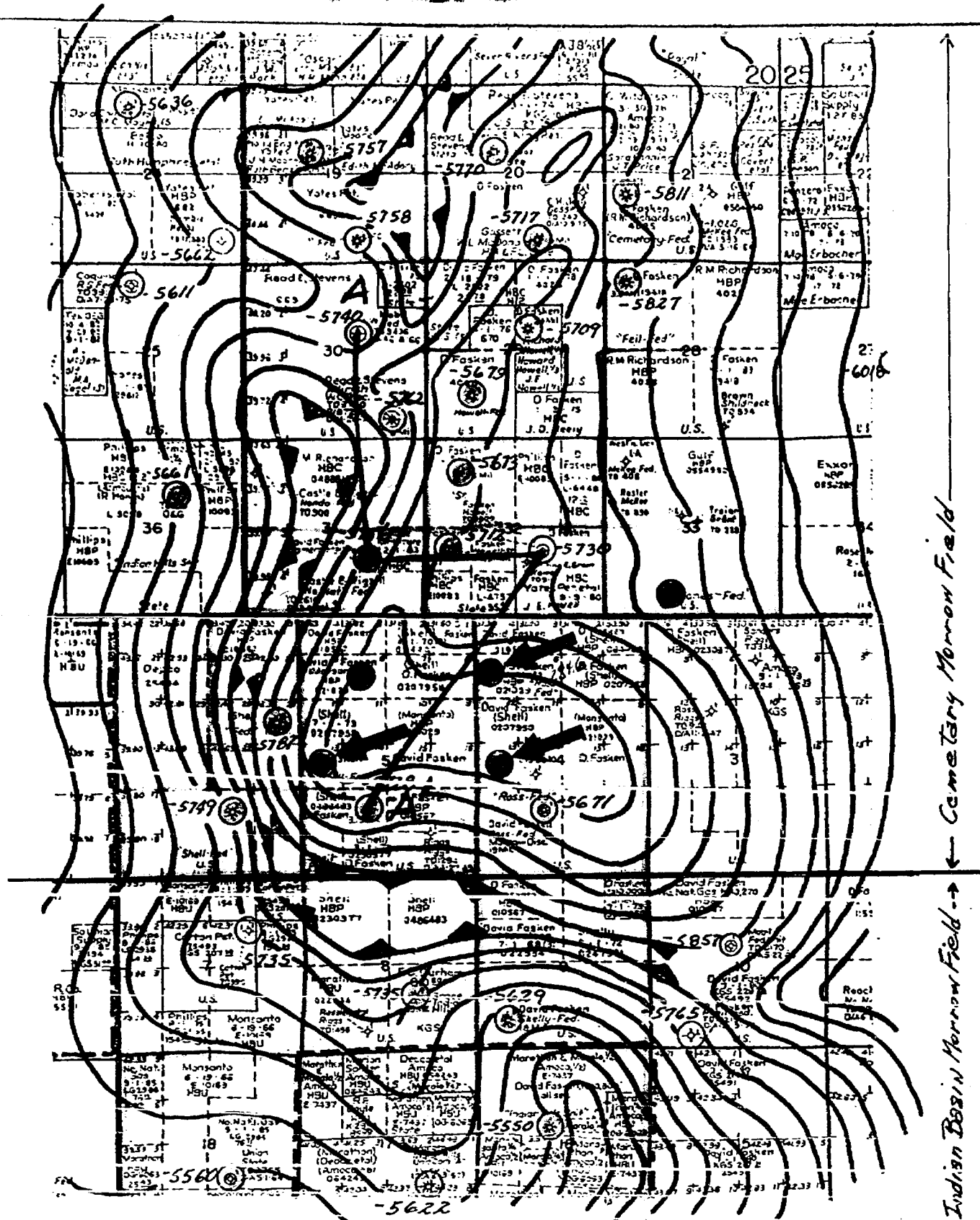


CASE NO.

6329

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

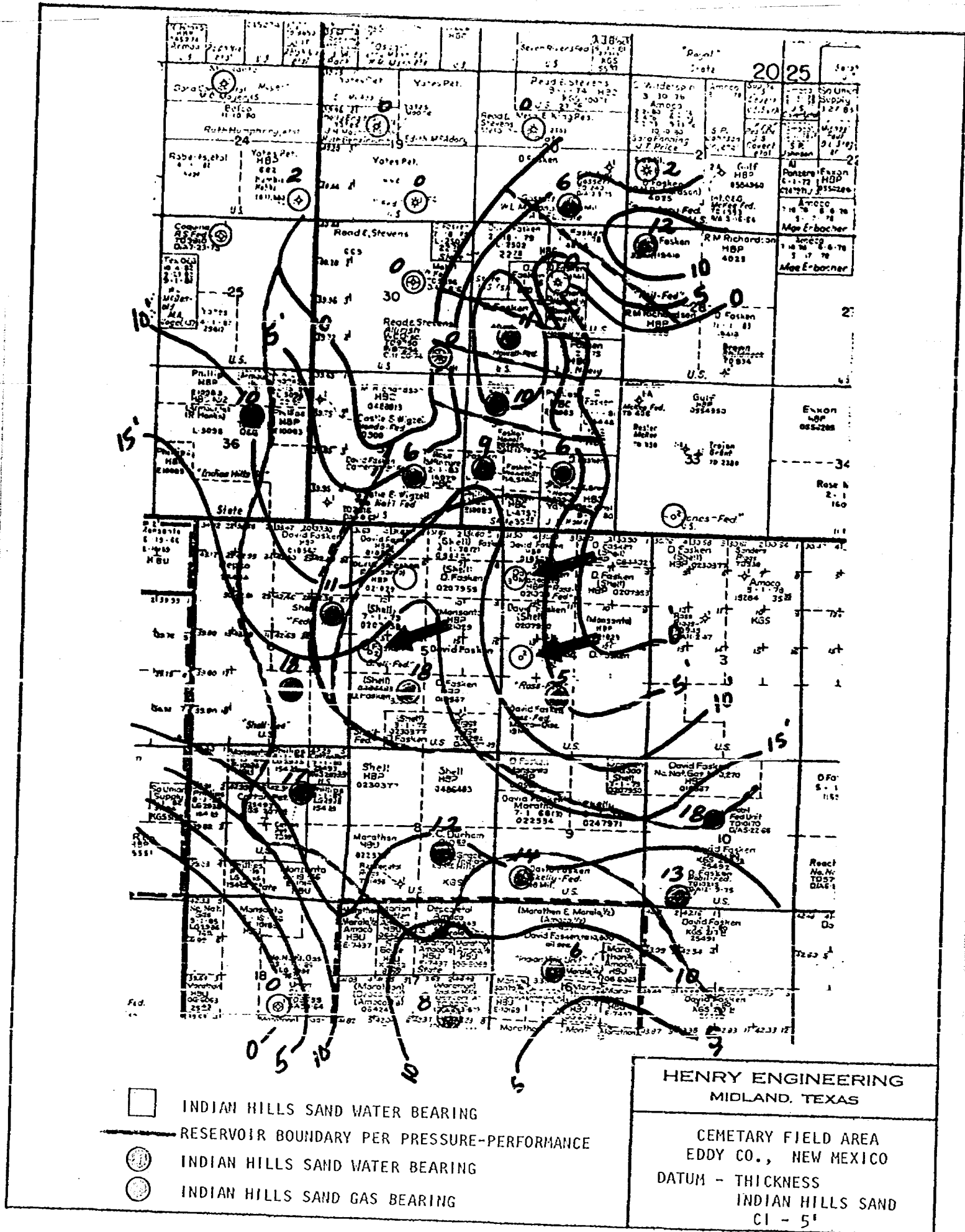
ETC.

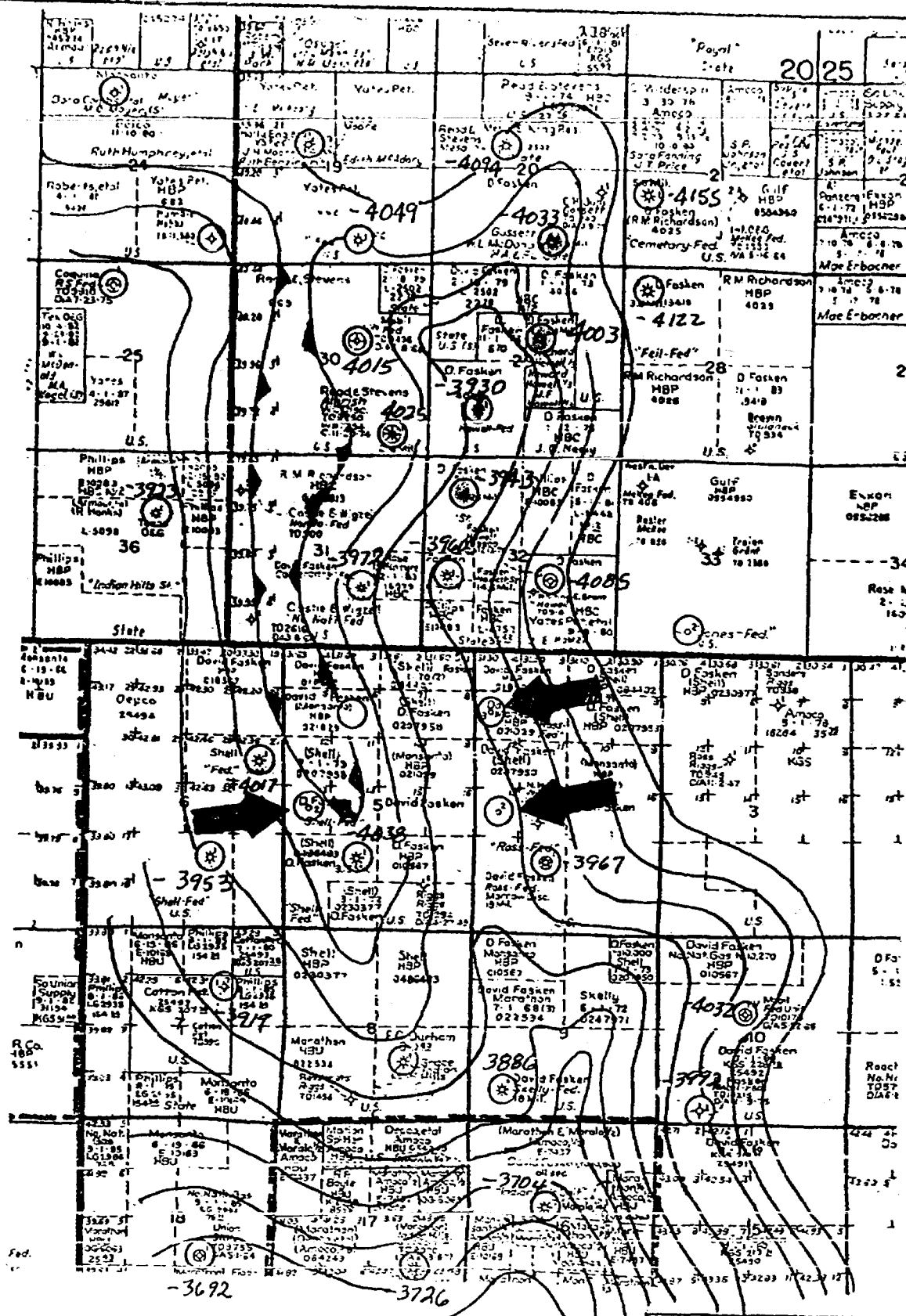


- PRORATION UNIT BOUNDARY
- MORROW GAS WELL
- UNORTHODOX LOCATION
- REGULAR LOCATION

HENRY ENGINEERING
MIDLAND, TEXAS

CEMETARY FIELD AREA
EDDY CO., NEW MEXICO
DATUM-TOP MORROW CLASTICS
CI = 50'





B4

Sumner G. Buell, Esq.
JASPER & BUELL
Santa Fe, New Mexico 87501

I N D E X

JAMES B. HENRY

Direct Examination by Mr. Buell	3
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E X H I B I T S

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Applicant Exhibit Two, Isopach	12
Applicant Exhibit Three, Logs	12
Applicant Exhibit Four, Map	12

MR. NUTTER: The hearing will come to order.

We'll call the first case this morning, which will be Case Number 6329.

MS. TESCHENDORF: Case 6329. Application of David Faskin for unorthodox gas well locations and a non-standard proration unit, Eddy County, New Mexico.

MR. BUELL: Mr. Examiner, I'm Sumner Buell with the firm of Jasper and Buell, appearing on behalf of the applicant. I have one witness.

(Witness sworn.)

JAMES B. HENRY

being called as a witness and having been duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. BUELL:

Q. Would you please state your name, by whom you are employed, and where? And in what capacity?

A. I'm James B. Henry, Henry Engineering, in Midland, appearing here today on behalf of our client, David Faskin.

Q. Mr. Henry, have you previously testified before this Commission or one of its examiners and had your qualifications accepted?

A. Yes, I have.

Q. And you are familiar with what is sought in Application 6329?

A. Yes, I am.

Q. And would you briefly explain to the Examiner what is sought in this case?

A. In this case we're preparing to drill four wells in the Cemetery Field of Eddy County, New Mexico, a Morrow Zone gas producing field. Three of them are unorthodox locations. We're here today seeking approval of those unorthodox locations, which are being moved for structural advantage and for better sand development and for statistically better accumulations of sand in certain trends in the field.

Q. Referring you to what has been marked for identification as Applicant's Exhibit Number One, would you explain to the Examiner what that shows?

A. On Exhibit Number One along the righthand margin I have indicated the boundary between the Indian Basin Morrow and the Cemetery Morrow gas fields. The yellow lines outline existing and proposed proration units in the area.

The three red arrows delineate the three unorthodox locations. In Section 5, the No. 2 Shell Federal has been proposed there 660 feet from the west

line and 3300 feet from the south line. Over in Section 5 there is a Ross Federal No. 2. It's 3300 feet from the south line and 660 from the west line. That location is proposed there for drilling as a Morrow gas well and secondarily as a Cisco oil well. The No. 3 Ross Federal located 6040 feet from the south line and 460 feet from the west line, we propose to drill that as a Morrow gas well and secondarily as a possible Cisco oil well.

The well there being indicated to be in the south -- oh, I believe rather than that it would be in Lot Five, the center of Lot Five, was the intent of that location originally. Surface topography, particularly the arroyo known as Wadcutter Draw, forced us to move that location 200 feet west and 100 feet north for a suitable drill site, and also one that has been approved by our geologist and by the Bureau of Land Management.

The two sections involved here are large sections, being on the north line of this survey and contain approximately 920-odd acres. These were communitized as to each section by the USGS and the Bureau of Land Management when the original Ross Federal and Shell Federal Nos. 1 were drilled, and we're drilling here two additional wells to fill in the 320-acre spacing approved for this area when it was reclassified into the Cemetery Morrow Field from the Indian Basin Field, several years ago.

Q Referring you to what's been marked for identification as Exhibit Number Two. Would you explain what that shows?

A Exhibit Number Two is an Isopach map contoured at 5-foot intervals of the uppermost sand of the Morrow clastic section, being locally known as the Indian Basin Sand or the -- excuse me, the Indian Hills Sand, or the A Zone sand of the Morrow interval, depending on which nomenclature classification you're using.

The blue shaded area shows a structurally low area where the sand is below the oil/water -- the gas/water contacts.

The yellow shaded area are those areas where it's been found to be gas productive.

And the circles around each well, as the legend shows you at the bottom, shows the water-bearing -- wells that were found water-bearing and those that were found gas-bearing.

Also would like to point out on the map that the black dashed line highlighted in red delineates areas within this sand that perform differently for reasons we can't exactly identify, except that the pressure performance of those areas are similar within those areas enclosed and dissimilar to the adjoining ones, and there are some very marked differences in the pressure performance

of these features. We suspect that it may be in the case of this Indian Hills Sand, which appears to be continuous in here, that there may be some very minor faulting. It's not evidenced in the logs or dip meter data that separate these into different reservoirs.

Q Referring you to what's been marked as Applicant's Exhibit Three for identification, would you review that for the Examiner?

A This is a correlation of a number of logs in the area. The uppermost sand toward the center of the exhibit, the sands are identified, Indian Hills Sand being the uppermost sand, is the one shown on Exhibit Number Two, the Isopach map.

MR. NUTTER: Mr. Henry, is this cross section outlined on either Exhibit Number One or Two?

A No, it isn't, Dan.

MR. NUTTER: Where would the line of the cross section run on Exhibit Number One?

A Okay, the -- the -- starting up in Section 3 on the lefthand side there is an old dry hole called the Mobil No. 1 W.

MR. NUTTER: And is that the northernmost well there in Section 30?

A Yes.

MR. NUTTER: Okay.

A. And the next one down here is the David Faskin Cameron Federal in Section 31, directly south of it about a mile and a half.

MR. NUTTER: Okay.

A. Then the next one is the David Faskin Howell 32 dry hole in the southeast quarter of Section 32.

MR. NUTTER: That's the one on Exhibit One that shows a minus 5730?

A. Yes.

MR. NUTTER: In Exhibit One?

A. Yes, that's the one that shows a minus 5730.

MR. NUTTER: Okay.

A. The dry hole that had a gas show in it at Sixteen Cent gas, we didn't complete.

MR. NUTTER: Okay.

A. And back then to the south this comes back down to the Shell Federal and the southernmost producer, or the only producing well in Section 5.

MR. NUTTER: And that's the line of the cross section.

A. Yes. It's not exactly a cross section. It's just a correlation showing the relationship of the sands to the area. It was not intended to be a cross section.

MR. NUTTER: Okay, thank you.

A. On this cross section the Mobil well shows

the middle Morrow Sand and the Upper Morrow Sand, which is too tight; we don't interpret it as having any net pay in it.

The next well, being the David Faskin Cameron Federal had a drillstem test in the Upper Morrow Sand that had a pressure of 3501 pounds, which is 400 pounds below the original pressure in the Ross and Shell Federal No. 1, the discovery wells for this reservoir sand, and it indicated not complete separation but some separation in that the well was about 500 pounds the pressure of the other existing wells.

The Middle Morrow Sand is the big producer in this one. It's a channel sand in the Middle Morrow and is a very thick sand and has been a very good producer.

The lowermost sand, below 9700 feet, C-zone sand, is water-bearing in this location.

We're at the Howell 32 Com No. 1 dry hole in the southwest quarter of Section 32. We had some drillstem tests of the Upper Sand here that showed gas at the too small to measure rate but a fairly good development of real tight silty sand and that we interpreted as being 6 feet of net, but it was too tight to be a producer at the time we drilled it; we were looking at Sixteen Cent gas and did not elect to complete it. We have since drilled a well in the west end of that section to replace it as a

producer, and was a good producer with better sand development.

Again, the significant thing here was the Lower Sand, Lower Morrow Sand, and it had a gas rate of 247 Mcf a day. Again, we thought it was too low time to complete.

We go on over to the David Faskin Shell Federal, which is located in the southwest quarter of Section 5. The Upper Morrow Sand very well developed, a very good producer. It's produced to date over 7-billion feet of gas.

The Lower Morrow in this well has a well developed sand we interpret as being partly gas-filled and partly water-filled. It was not tested but the log analysis, we believe, shows an oil/water contact at 9910 feet in that well, where the blue and orange coloring delineates that line.

As you can see in the right structure location this Lower Morrow Sand would be a potential producer. We believe that the location for the proposed Shell Federal No. 2 being where it is would give it an opportunity to not only encounter the A or Indian Hills Sand in a favorable location, but would also allow us to find this Lower Morrow Sand in a position that it would produce gas.

And we're moving -- asking to move it there

to get it in line with a north-south alignment here of -- or really a little east of north, a northeast-southwest alignment of structural feature here through the Cemetery Field that we believe will put us on top of the Lower Morrow Channel Sand at a favorable location.

Q Referring you to what's been marked as Exhibit Number Four for identification, would you explain what that indicates?

A Exhibit Number Four is a map contoured on top of the Cisco porosity. The four wells up in Township 20, 25, Sections 20, 29, and 32, colored in orange, show wells where we've had oil and water on drillstem tests of the Cisco-Canyon. We believe there are strong oil shows in these wells that are near commercial, if not commercial. We think there are recompletion possibilities probably in the two southernmost wells when the Morrow gas is depleted.

Referring down to the two wells proposed on the Ross Federal Com Unit No. 2 and No. 3, as indicated by the red arrows in Section 4, we believe that the location to the west here will allow us the best structural chance possible on that tract of encountering Cisco-Canyon in the event the Morrow Sands should prove unproductive or would provide us at least for a recompletion possibility in the Cisco-Canyon.

In fact, and referring to those two wells, we believe from Exhibit Number Two, the Isopack map, that it's necessary to move these wells to the west edge of the lease to recover the reserves under this lease, due to the poor sand development indicated for the northeast 320 acres of this lease.

Q Mr. Henry, is it your opinion that the granting of this application would prevent waste and protect correlative rights?

A Yes, it is.

Q Were Exhibits One through Four prepared by you or under your supervision?

A Yes, they were.

MR. BUELL: Move the introduction of Exhibits One through Four.

MR. NUTTER: Applicant's Exhibits One through Four will be admitted in evidence.

MR. BUELL: I have no further questions.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Henry, I only have one question.

It's not meant to imply by Exhibit Number One that these two purple wells are the only regular locations on this map, is it?

A. No, there are locations that have been staked but are not drilled. I meant to show them as active applied-for locations.

Q. Oh, I see, but a lot of these wells that have been completed are on standard locations, and if the narrow interpretation of the words "regular Location" colored in purple were taken --

A. Yeah.

Q. -- then --

A. I meant that a regular location as opposed to a well.

Q. Yeah, okay.

A. Location and well is the --

Q. Yeah.

A. The intent was that the location would indicate a staked location and not into drilling operation.

Q. Yeah, okay.

A. We have one and Shell has one actively in the process of being approved, with the exception of -- the possibility of the roadless area, I think the Gulf well is --

Q. So on completion of this program with these wells that you're proposing here, both Sections 4 and 5, with the wells we're talking about today, with producing wells that are in existence and this other purple well that's

in Section 5, those two sections will be drilled up with a density of three wells per section then, won't they?

A. Yes.

Q. Which is approximating 320-acre spacing for that area.

A. And those are bobtail units, proration units, on the north line of that section. We have made administrative application for -- to you for approval of those as non-standard units.

Q. They're not much shy of a standard unit, are they?

A. They're 280 acres, I believe, approximately. I have a file here I think shows those exactly.

MR. BUELL: 284.6.

A. 284.6, and which one is that?

MR. BUELL: That's on the No. 3.

A. Okay, and the other one is a few acres smaller. They're approximately 285 acres.

Q. Okay.

MR. NUTTER: Are there any further questions of Mr. Henry? He may be excused.

Do you have anything further, Mr. Buell?

MR. BUELL: Nothing further, Mr. Examiner.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 6329?

We'll take the case under advisement.

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the said hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd CSR-
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6529
heard by me on 9/27 1978.
[Signature], Examiner
Oil Conservation Division

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date SEPTEMBER 27, 1978 Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
SG. Buell	Jaspei ; Buell	Santa Fe
Jim Henry	HENRY ENGR FOR DAVID	- Midland
Bill Henry	GRACE Petr Co. FRANK	Midland
Paul Coater	Reading & Bates	Aswell
Howard Gens	Reading & Bates Petroleum	Tulsa
Gary W. Jeger	" " "	"
Mark D. Wilson	Seep	ARTESIA, NM
CR Hamilton	Petroleum Corp. of Texas	Breckenridge TX
Tom Kellahan	KELLAHAN & FOX	SANTA FE NM,
Arthur Boice	Petroleum Corp. of Texas	Breckenridge TX
J.B. Burkhart	Wheeler & Hall	Midland
Dulani J. Carr	Cation, Cation & Sawyer	Santa Fe
Jim Borghouti	Continental Oil Co.	Hobbs, N.M.
John [unclear]	" " "	" " "

Dockets Nos. 32-78 and 33-78 are tentatively set for hearing on October 11 and October 25, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 27, 1978

9 A.M. - OIL CONSERVATION DIVISION 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 6329: Application of David Fasken for unorthodox gas well locations and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of the following three wells located in Township 21 South, Range 24 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico:
- Ross Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 4, Lots 9 through 16 of said section to be dedicated to the well; Ross Federal Com. Well No. 3 to be drilled 6040 feet from the South line and 460 feet from the West line of Section 4, to be dedicated to a 284.6-acre non-standard proration unit comprising Lots 1 through 8 of said section; and Shell Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 5, Lots 9 through 16 of said section to be dedicated to the well.
- CASE 6330: Application of Petroleum Corporation of Texas 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 NE/4 of Section 32, Township 24 North, Range 3 West, Chacon-Dakota Associated Pool, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6331: Application of American Petrofina Company of Texas for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 990 feet from the South line and 990 feet from the East line of Section 29, Township 32 North, Range 9 West, Blanco-Mesaverde Pool, San Juan County, New Mexico, the E/2 of said Section 29 to be dedicated to the well.
- CASE 6332: Application of Reading & Bates Oil and Gas Company for an unorthodox gas well location and a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of a well to be drilled 330 feet from the North line and 1650 feet from the West line of Section 5, Township 23 South, Range 36 East, Lea County, New Mexico, to produce gas from the Jalmat Yates formation and oil from the Langlie Mattix Seven Rivers formation.
- CASE 6333: Application of Maddox Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the E/2 of Section 27, Township 23 South, Range 28 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. In the alternative, applicant seeks an order pooling only the NE/4 of said section for the production of gas from formations above the Wolfcamp. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6334: Application of Grace Petroleum Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its New Mexico Federal "G" Well No. 1 to be drilled 4650 feet from the South line and 660 feet from the East line of Section 6, Township 21 South, Range 32 East, Lea County, New Mexico, Lots 9, 10, 15, and 16 and the SE/4 of said Section 6 to be dedicated to the well.
- CASE 6335: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat gas and Langlie Mattix oil production within the wellbore of its Jack B-30 Well No. 2 located in Unit B of Section 30, Township 24 South, Range 37 East, Lea County, New Mexico.
- CASE 6336: Application of Burleson & Huff for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the E/2 SE/4 of Section 11 and the W/2 SW/4 of Section 12, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to a well at a standard location in Unit P of said Section 11.
- CASE 6337: Application of Mark D. Wilson to limit application of pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to limit the application of the McMillan-Morrow Gas Pool present rules to the horizontal limits of said pool only, Eddy County, New Mexico.

HENRY ENGINEERING
Petroleum Engineers
607 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79701

September 7, 1978

Mr. Dan Nutter
New Mexico Energy & Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: David Fasken
Ross Federal Comm. No. 3

Dear Dan:

On behalf of our client, David Fasken, I hereby request administrative approval of a non-standard unit for the David Fasken Ross Federal Comm. No. 3, 6040' FSL and 400' FWL of Section 4, T-21-S, R-24-E, NMPH, Eddy County, New Mexico.

284.6

This non-standard unit is occasioned by the irregularity in the legal subdivision of T-21-S, R-24-E. This ~~284.0~~ acre tract is located in the north end of the section with the David Fasken Ross Federal No. 1 producing well being allocated the south 320 acres and the proposed David Fasken Ross Federal Comm. No. 2 being allocated the "middle" 320 acres.

Ross Federal Comm. No. 3 is also an unorthodox location with hearing thereon set for September 27, 1978 before the Oil Conservation Division.

Attached is a plat showing the location of subject well.

Yours very truly,

HENRY ENGINEERING

James B. Henry

JBH:vcz
Attmt.

*ASP -
ASP not necessary -
this non-standard unit
is included in
Case 6329*

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

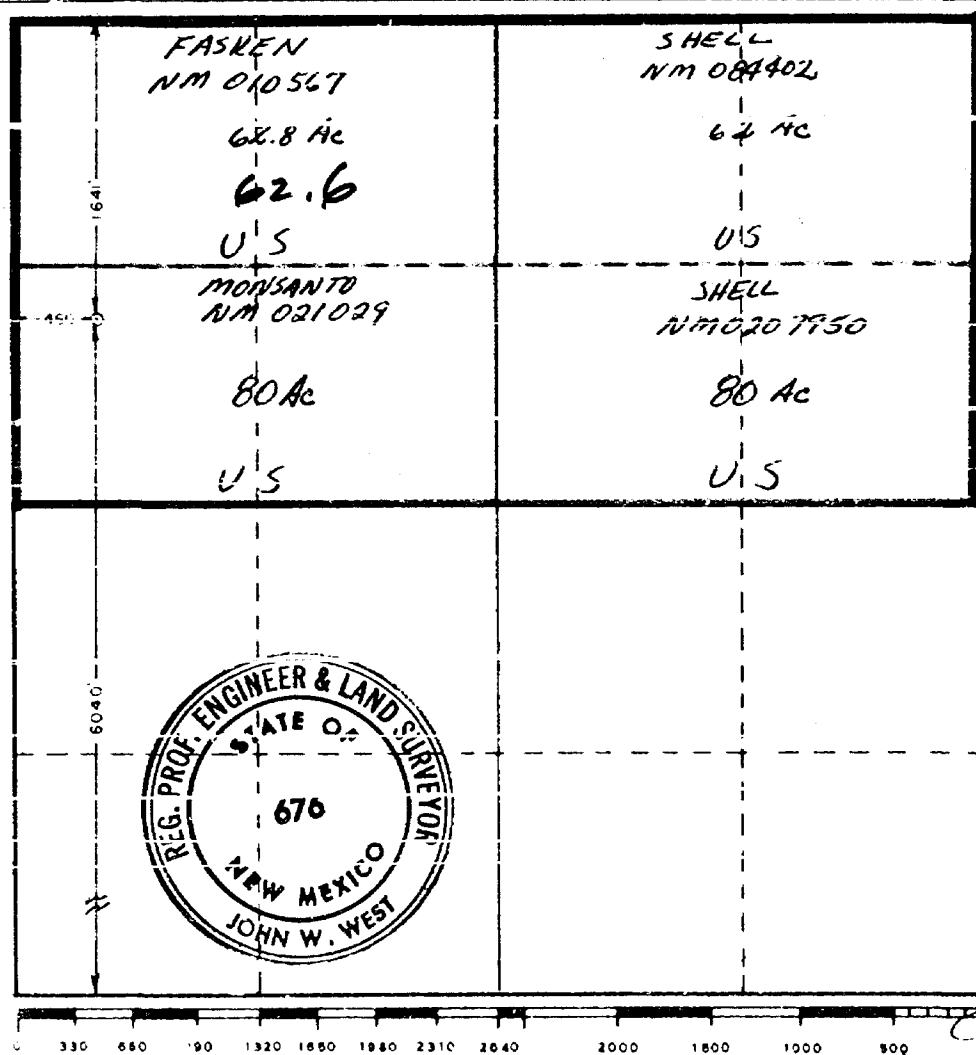
Operator David Fasken			Lease Ross Federal Comm		Well No. 3
Tract Letter E	Section 4	Township 21 South	Range 24 East	County Eddy	
Annual Production Location of Well:					
1641 feet from the North line and		460 feet from the West		284.6 Acres	
Ground Level Elev. 3692.3	Producing Formation MORROW	Pool CEMETARY MORROW GAS		Dedicated Acreage: 284.8 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes" type of consolidation Communitization - All Sec 4

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

James B. Henry
Name

James B. Henry
Position

Agent
Company

DAVID FASKEN
Date

Sept 1, 1978

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
August 28, 1978

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. John W. West 676
Ronald J. Eidson 3239

The map displays a detailed land ownership record for the Indian Hills area. It includes numerous land parcels, each identified by a unique number (e.g., 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100). Each parcel is labeled with the owner's name, the acreage, and the survey date. The map is divided into sections, with some areas labeled 'INDIAN BASIN' and 'INDIAN HILLS'. The text is dense and includes many names like 'R.C. Hanks', 'Amoco', 'Phillips', and 'Marathon'. The map also shows various survey lines and boundaries.

RECEIVED

AUG 30 1978

BEFORE THE OIL CONSERVATION DIVISION Oil Conservation Commission
OF THE
NEW MEXICO ENERGY AND MINERALS DEPARTMENT

In the matter of the Application
of David Fasken for an unorthodox
location of his David Fasken Shell
Federal Comm No. 2 in Section 5,
Township 21 South, Range 24 East,
N.M.P.M., Eddy County, New Mexico.

No. 6329

A P P L I C A T I O N

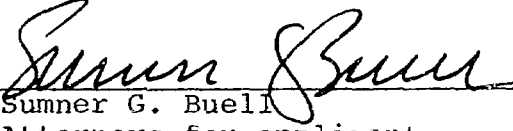
Comes now the applicant, David Fasken, by his attorneys,
Jasper and Buell, and applies for an unorthodox well location
and states:

1. Applicant is the operator of a proposed gas well designated David Fasken Shell Federal Comm No. 2.
2. Applicant intends to drill said well in the Cemetery Morrow Gas Pool as a Morrow formation producer.
3. Applicant proposes to locate the well at an unorthodox location to be approximately 3300 feet from the south line and 660 feet from the west line of Section 5, Township 21 South, Range 24 East, N.M.P.M. in Eddy County, New Mexico.
4. Parties who may be interested in this application are the Oil Conservation Division and Shell Oil Company.
5. The granting of this application will prevent waste, protect correlative rights and avoid the necessity of drilling unnecessary wells.

Wherefore applicant asks that the Oil Conservation Division enter its order granting this application to drill the designated well at the proposed unorthodox location.

JASPER & BUELL

By


Sumner G. Buell
Attorneys for applicant
P. O. Box 1626
Santa Fe, New Mexico 87501

BEFORE THE OIL CONSERVATION DIVISION
OF THE
NEW MEXICO ENERGY AND MINERALS DEPARTMENT

In the matter of the Application
of David Fasken for an unorthodox
location of his David Fasken Shell
Federal Comm No. 2 in Section 5,
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A P P L I C A T I O N


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No. 6329

A P P L I C A T I O N

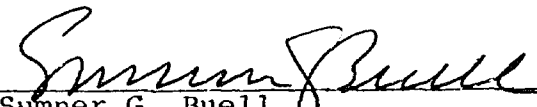
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4. Parties who may be interested in this application are the Oil Conservation Division and Shell Oil Company.
5. The granting of this application will prevent waste, protect correlative rights and avoid the necessity of drilling unnecessary wells.

Wherefore applicant asks that the Oil Conservation Division enter its order granting this application to drill the designated well at the proposed unorthodox location.

JASPER & BUELL

By


Sumner G. Buell
Attorneys for applicant
P. O. Box 1626
Santa Fe, New Mexico 87501

RECEIVED

AUG 30 1978

BEFORE THE OIL CONSERVATION DIVISION
OF THE
NEW MEXICO ENERGY AND MINERALS DEPARTMENT

Oil Conservation Commission

In the matter of the Application
of David Fasken for an unorthodox
location of his Ross Federal Comm
No. 3 in Section 4, Township 21
South, Range 24 East, N.M.P.M.,
Eddy County, New Mexico.

No. 6329

A P P L I C A T I O N

Comes now the applicant, David Fasken, by his attorneys,
Jasper and Buell, and applies for an unorthodox well location
and states:

1. Applicant is the operator of a proposed gas well
designated Ross Federal Comm No. 3.
2. Applicant intends to drill said well in the Cemetery
Morrow Gas Pool as a Morrow formation producer.
3. Applicant proposes to locate the well at an unorthodox
location to be approximately ⁶⁰⁴⁰~~5940~~ feet from the south line and
⁴⁶⁰~~660~~ feet from the west line of Section 4, Township 21 South,
Range 24 East, N.M.P.M., in Eddy County, New Mexico.
4. Parties who may be interested in this application are
the Oil Conservation Division, Amoco Production Company and Gulf
Oil Company.
5. The granting of this application will prevent waste,
protect correlative rights and avoid the necessity of drilling
unnecessary wells.

Wherefore applicant asks that the Oil Conservation Division
enter its order granting this application to drill the desig-
nated well at the proposed unorthodox location.

JASPER & BUELL

By Sumner G. Buell
Sumner G. Buell
Attorneys for applicant
P. O. Box 1626
Santa Fe, New Mexico 87501

RECEIVED

AUG 30 1978

Oil Conservation Commission

BEFORE THE OIL CONSERVATION DIVISION
OF THE
NEW MEXICO ENERGY AND MINERALS DEPARTMENT

In the matter of the Application
of David Fasken for an unorthodox
location of his Ross Federal Comm
No. 2 in Section 4, Township 21
South, Range 24 East, N.M.P.M.,
Eddy County, New Mexico.

No. 6329

A P P L I C A T I O N

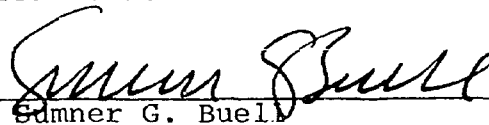
Comes now the applicant, David Fasken, by his attorneys,
Jasper and Buell, and applies for an unorthodox well location
and states:

1. Applicant is the operator of a proposed gas well designated Ross Federal Comm No. 2.
2. Applicant intends to drill said well in the Cemetery Morrow Gas Pool as a Morrow formation producer.
3. Applicant proposes to locate the well at an unorthodox location to be approximately 3300 feet from the south line and 660 feet from the west line of Section 4, Township 21 South, Range 24 East, N.M.P.M. in Eddy County, New Mexico.
4. Parties who may be interested in this application are the Oil Conservation Division, Amoco Production Company and Gulf Oil Company.
5. The granting of this application will prevent waste, protect correlative rights and avoid the necessity of drilling unnecessary wells.

Wherefore applicant asks that the Oil Conservation Division enter its order granting this application to drill the designated well at the proposed unorthodox location.

JASPER & BUELL

By



Sumner G. Buell
Attorneys for applicant
P. O. Box 1626
Santa Fe, New Mexico 87501

Or

Tree + Ross # 2
middle 320 acres dedicated
= Lots 9-16

Ross # 3
N 284.6 acres
(Lots 1-8)

Called in by Sumner Buell
9-7-78

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6329

Order No. R-5822

APPLICATION OF DAVID FASKEN
FOR UNORTHODOX GAS WELL LOCATIONS
AND A NON-STANDARD PRORATION UNIT,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 27
19 78, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of _____, 19 78, the
Division Director, 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 Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, David Fasken, seeks approval for the unorthodox locations of the following three wells located in Township 21 South, Range 24 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico:

the Ross Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 4, Lots 9 through 16 of said section to be dedicated to the well;

the Ross Federal Com Well No. 3 to be drilled 6040 feet from the South line and 460 feet from the West line of Section 4 to be dedicated to a 284.6-acre non-standard proration unit comprising Lots 1 through 8 of said section; and the

Shell Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 5, Lots 9 through 16 of said section to be dedicated to the well.

(3) That wells at said unorthodox locations will better enable applicant to produce the gas underlying ^{each of the aforesaid} the proration units.

(4) That no offset operator objected to the proposed unorthodox locations.

(5) That approval of the subject application will afford the applicant the opportunity to produce his 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.

8

Sumner Buell

Fusken Rossford

Com 3

5940 S

to

6040 FSL

&

460 FWL

-3-
Case No. 6329
Order No. R-

IT IS THEREFORE ORDERED:

(1) That unorthodox gas well locations are hereby approved for the following three wells located in Township 21 South, Range 24 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico:

the Ross Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 4, Lots 9 through 16 of said section to be dedicated to the well;

the Ross Federal Com. Well No. 3 to be drilled 6040 feet from the South line and 460 feet from the West line of Section 4 to be dedicated to a 284.6-acre non-standard proration unit, hereby approved, comprising Lots 1 through 8 of said section; and

the Shell Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 5, Lots 9 through 16 of said section to be dedicated to the well.

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

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

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6329
Order No. R-5822

APPLICATION OF DAVID FASKEN
FOR UNORTHODOX GAS WELL LOCATIONS
AND A NON-STANDARD PRORATION UNIT,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 27, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of October, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, David Fasken, seeks approval for the unorthodox locations of the following three wells located in Township 21 South, Range 24 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico:

the Ross Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 4, Lots 9 through 16 of said section to be dedicated to the well;

the Ross Federal Com. Well No. 3 to be drilled 6040 feet from the South line and 460 feet from the West line of Section 4 to be dedicated to a 284.6-acre non-standard proration unit comprising Lots 1 through 8 of said section; and the

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Case No. 6329

Order No. R-5822

Shell Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 5, Lots 9 through 16 of said section to be dedicated to the well.

(3) That wells at said unorthodox locations will better enable applicant to produce the gas underlying each of the aforesaid proration units.

(4) That no offset operator objected to the proposed unorthodox locations.

(5) That approval of the subject application will afford the applicant the opportunity to produce his 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 unorthodox gas well locations are hereby approved for the following three wells located in Township 21 South, Range 24 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico:

the Ross Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 4, Lots 9 through 16 of said section to be dedicated to the well;

the Ross Federal Com. Well No. 3 to be drilled 6040 feet from the South line and 460 feet from the West line of Section 4 to be dedicated to a 284.6-acre non-standard proration unit, hereby approved, comprising Lots 1 through 8 of said section; and

the Shell Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 5, Lots 9 through 16 of said section to be dedicated to the well.

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

-3-

Case No. 6329
Order No. R-5822

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY,
Director

SECRET

dr/