BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING

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

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 at 9 a.m. on June 7, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 27th day of September, 1972, 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 the contraction of the horizontal limits of the Indian Basin-Morrow Gas Pool, by the deletion therefrom of all of Sections 4 and 5, Town-ship 21 South, Range 24 East, NMPM, Eddy County, New Mexico.
- (3) That the applicant further seeks the creation of a new non-prorated gas pool comprising all of said Sections 4 and 5 for the production of gas from the Morrow formation.
- (4) That by Order No. R-2441, dated February 28, 1963, the Commission created the Indian Basin-Morrow Gas Pool, Eddy County, New Mexico, for the production of gas from the Morrow formation.
- (5) That the horizontal limits of the Indian Basin-Morrow Gas Pool have been extended from time to time by order of the Commission.
- (6) That while the evidence presented does indicate the presence of a trough existing in the area of the proposed separation, the evidence does not indicate that it is an effective barrier.

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- (7) That there is substantial evidence that there is communication between the areas to the north and south of the trough.
- (8) That the areas proposed to be separated constitute a single source of supply and should not be separated.
- (9) That the applicant has failed to prove that the Indian Basin-Morrow Gas Pool should be contracted and that a new Morrow Gas Pool should be created.
- (10) That in order to prevent waste and protect correlative rights, the application should be <u>denied</u>.

IT IS THEREFORE ORDERED:

- (1) That the application of David Fasken for the contraction of the Indian Basin-Morrow Gas Pool and for the creation of a new gas pool for Morrow production is hereby denied.
- (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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

1/0-1/2017

BRUCE KING, Chairman

ALEX J. ARMIJE, Member

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

SEAL