Entered Alecember 29, 14>8

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. 6395 Order No. R-5891

NOMENCLATURE

APPLICATION OF DAVID FASKEN FOR POOL CONTRACTION AND POOL EXTENSION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 7, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>29th</u> day of December, 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 the contraction of the Indian Basin-Morrow Gas Pool by the deletion therefrom of Section 9, Township 21 South, Range 24 East, Eddy County, New Mexico, and the extension of the Cemetery-Morrow Gas Pool to include the aforesaid Section 9.

(3) That the applicant is the owner of certain oil and gas interests in Section 9, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico.

(4) That said Section 9 is within the currently defined horizontal limits of the Indian Basin-Morrow Gas Pool, which among other lands, include all of Sections 8, 9, 16, and 17 of Township 21 South, Range 24 East, NMPM. -2-Case No. 6395 Order No. R-5891

(5) That the Cemetery-Morrow Gas Pool, as currently defined, includes all of Sections 4 and 5 and portions of Section 6 of Township 21 South, Range 24 East, NMPM.

(6) That the applicant seeks the contraction of the Indian Basin-Morrow Gas Pool by the deletion therefrom of all of Section 9, Township 21 South, Range 24 East, NMPM, and the concurrent extension of the Cemetery-Morrow Gas Pool to include therein all of said Section 9.

(7) That the geological evidence presented at the hearing indicates that the North half of said Section 9 is indeed a part of said Cemetery-Morrow Gas reservoir.

(8) That the geological evidence presented at the hearing indicates that the South half of said Section 9 is properly classified within the Indian Basin-Morrow gas reservoir.

(9) That in order to protect correlative rights and prevent waste, the North half of said Section 9 should be removed from the Indian Basin-Morrow Gas Pool and placed in the Cemetery-Morrow Gas Pool.

(10) That a 320-acre non-standard gas proration unit consisting of the South half of said Section 9 should be established for the Indian Basin-Morrow Gas Pool to be dedicated to applicant's Skelly Federal Com Well No. 1 located in Unit M of said Section 9.

IT IS THEREFORE ORDERED:

(1) That effective January 1, 1979, the Indian Basin-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described lands in Eddy County, New Mexico:

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM Section 9: N/2

(2) That the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended by the inclusion therein of the above-described lands.

(3) That effective January 1, 1979, a 320-acre non-standard gas proration unit consisting of the South half of said Section 9 is hereby established for the Indian Basin-Morrow Gas Pool to be dedicated to applicant's Skelly Federal Com Well No. 1 located in Unit M of said Section 9. -3-Case No. 6395 Order No. R-5891

(4) That the applicant shall file new Forms C-102 with the Division dedicating said 320-acre non-standard gas proration unit to said Skelly Federal Com Well No. 1 within 60 days from the effective date of this order.

Failure to file such new Forms C-102 with the Division shall subject the well to cancellation of allowable. Until said Form C-102 has been filed said well shall receive no more than onehalf of a standard allowable for the Indian Basin-Morrow Gas Pool.

(5) 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 QIL CONSERVATION DIVISION The JOE D. RAMEY Director

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