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. 8684 Order No. R-8121

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on September 25, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>6th</u> day of January, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, David Fasken, seeks an order contracting the horizontal limits of the Burton Flat-Morrow Gas Pool by the deletion therefrom of all of Section 35, Township 20 South, Range 27 East, NMPM, and Lots 1 through 16 of Section 1, Township 21 South, Range 26 East, NMPM, all in Eddy County, New Mexico.

(3) Applicant further seeks the concomitant extension of the horizontal limits of the Avalon-Morrow Gas Pool to include all of the above-described acreage.

(4) The applicant is the owner and operator of 6 wells in the Avalon-Morrow Gas Pool and 5 wells in the Burton Flat-Morrow Gas Pool.

(5) The Avalon-Morrow Gas Pool was established by Division Order No. R-4861 and made effective November 1, 1984; the Burton Flat-Morrow Gas Pool was established by Division Order No. R-4486 and made effective March 1, 1973. -2-Case No. 8684 Order No. R-8121

(6) Both pools have been extended horizontally several times by order of the Division and at the time of the hearing both pools share a five mile common boundary between Sections 22 and 23, Sections 26 and 27, and Sections 34 and 35 of Township 20 South, Range 27 East, NMPM, and between Sections 1 and 2 and Sections 2 and 11 of Township 21 South, Range 26 East, NMPM, all in Eddy County, New Mexico.

(7) The applicant failed to provide sufficient geological and engineering evidence upon which to make a determination that wells within the subject area are more properly completed in the Avalon-Morrow Gas Pool and not within the Burton Flat-Morrow Gas Pool.

(8) The applicant's request for contraction of the Burton Flat-Morrow Gas Pool and the concomitant extension of the Avalon-Morrow Gas Pool should therefore be <u>denied</u>.

IT IS THEREFORE ORDERED THAT:

(1) The application of David Fasken seeking an order contracting the horizontal limits of the Burton Flat-Morrow Gas Pool by the deletion therefrom of all Section 35, Township 20 South, Range 27 East, NMPM, and Lots 1 through 16 of Section 1, Township 21 South, Range 26 East, NMPM, all in Eddy County, New Mexico, and the concomitant extension of the horizontal limits of the Avalon-Morrow Gas Pool to include all of said acreage, is hereby <u>denied</u>.

(2) 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 OIL CONSERVATION DIVISION

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R. L. STAMETS Director

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