

- (f) The Fasken location will be higher and closer to the Conoco Levers #2 well in Section 2 which had a good gas show (I.P. 2.90 million cubic feet of gas per day) but watered out in the Upper Morrow "A" Sand.
 - (g) The Cisco has productive potential at the Fasken location because the 3-D seismic shows a time structure with closure an isochron thin from the 3rd Bone Springs sand to the top of the Cisco and an isochron thick from the top of the Cisco to the Middle Morrow Shale. However, the chances of success in the Cisco are 10% at best.
 - (h) In order to minimize the risk involved, it is necessary to drill a well at a location in this spacing unit which can test for both Cisco and Morrow gas production.
- (13) Texaco presented geological interpretations based exclusively on subsurface geology which demonstrated that:
- (a) using the same data used by Mewbourne, Texaco contended that the "core" (Middle Morrow) sand being produced in the Texaco Levers Well No. 2 was oriented such that the Fasken location was geologically better than the Mewbourne location.
 - (b) if the Mewbourne location was approved, then a substantial penalty was necessary in order to keep the Mewbourne well from draining gas reserves to which it was not entitled.
 - (c) Texaco recommended that the Mewbourne location be denied, but if approved, that it be subject to a 81.4% production penalty.
- (14) The Mewbourne location has a higher probability of success in the Middle Morrow because of its close proximity to the Texaco Levers Well No. 2 and the north-south interpretation of the Middle Morrow Fault trend has a higher geologic probability than the alternative interpretations. Also, the proposed Fasken location has less of an opportunity to produce from the Middle Morrow than the proposed Mewbourne location and only a 10% chance of producing from Cisco formation.
- (15) The Commission favors the Mewbourne proposal because in addition to the higher probability of commercial success in the Middle Morrow, Mewbourne has the largest interest in the spacing unit and thus the moving force in proposing a well in the S/2 of Section 1.