

a reasonable request in that:

- (a) a full sized, as nearly as possible, standard shaped 640-acre spacing and proration unit cannot be formed within this irregularly shaped section since the needed acreage will not be offered by the U. S. Bureau of Land Management for mineral leasing;
- (b) it is not the intent of the applicants in both cases to avoid the "one well" per 640-acre unit rule by placing a well on each one-half section;
- (c) it serves to further deplete any remaining reserves within the Catclaw Draw-Morrow Gas Pool in the lower portion of said Irregular Section 1 not drained by the original above-described Avalon Federal Com. Well No. 1 in Unit "P" of said Section 1.

(13) The formation of the mutually requested 297.88-acre gas spacing and proration unit was not the subject of any opposition, is in the best interest of conservation, and will serve to prevent waste and should therefore be approved.

(14) Under an Operating Agreement dated April 1, 1970, both Fasken and Mewbourne have the right to develop the Morrow formation underlying the subject 297.88-acre tract.

(15) *At the April, 1997 hearing both Fasken and Mewbourne presented substantial geological evidence supporting their respective positions and opposing the other's position. Texaco's technical evidence was limited to opposing the drilling of the location in Lot 31/Unit W of said Section 1.*

**FINDING:** The technical evidence presented by all parties in this matter had merit and cumulatively supports the further development of the Catclaw Draw-Morrow Gas Pool within the subject 297.88-acre non-standard gas spacing and proration unit.

(16) No offset operator, mineral interest owner, or affected party to the west appeared at the hearing in opposition to Fasken's proposed well to be drilled to the Catclaw Draw-Morrow Gas Pool at an unorthodox location 2080 feet from the South line and 750 feet from the West line (Unit L) of said Section 1. Therefore, in order to assure the adequate protection of correlative rights, the prevention of waste, and in order to prevent the economic loss caused by the drilling of unnecessary wells, the well proposed by Fasken in Case No. 11755 to be drilled to the Catclaw Draw-Morrow Gas Pool at an unorthodox location 2080 feet from the South line and 750 feet from the West line (Unit L) of said Section 1 should be approved. Consequently, the proposed unorthodox gas well location to be drilled 660 feet from the South line and 2310 feet from the East line (Lot 31/Unit W) of said Section 1 should be denied.

