

TOWNSHIP 21 SOUTH RANGE 26 EAST NMPM

Sections 17 through 20: All
Section 30: All.

(3) The Catclaw Draw-Morrow Gas Pool is governed by the "General Rules and Regulations for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Catclaw Draw-Morrow Gas Pool", as promulgated by Division Order No. R-8170, as amended, which requires standard 640-acre gas spacing and proration units with wells to be located no closer than 1650 feet from the outer boundary of a proration unit nor closer than 530 feet from any governmental quarter-quarter section or subdivision inner boundary.

(4) Although technically classified as a "Prorated Gas Pool", gas prorationing was suspended in the Catclaw Draw-Morrow Gas Pool by Division Order No. R-10328, issued by the New Mexico Oil Conservation Commission in Case No. 11211 on March 27, 1995, due to the fact that there were no "prorated wells" in the pool.

(5) The Catclaw Draw-Morrow Gas Pool is currently subject to the spacing and well location provisions of the "Special Rules and Regulations for the Catclaw Draw-Morrow Gas Pool", as described above, as well as Division General Rule 104.D(3), which restricts the number of producing wells within a single gas spacing unit within non-prorated pools to only one. Producing wells within said pool are allowed to produce at capacity.

(6) In Case No. 11723 the applicant, Mewbourne Oil Company ("Mewbourne"), seeks to establish a non-standard 297.88-acre gas spacing and proration unit for Catclaw Draw-Morrow Gas Pool production comprising Lots 29, 30, 31, and 32 and the SW/4 (S/2 equivalent) of Irregular Section 1, Township 21 South, Range 25 East, NMPM, Eddy County, New Mexico, which is to be dedicated to a well to be drilled at an unorthodox gas well location 660 feet from the South line and 2310 feet from the East line (Lot 31/Unit W) of said Section 1.

(7) Similarly, in Case 11755, Fasken Oil and Ranch, Ltd. ("Fasken") also seeks to establish said non-standard 297.88-acre gas spacing and proration unit for Catclaw Draw-Morrow Gas Pool production which is to be dedicated to a well to be drilled at one of the following described locations:

(a) 2080 feet from the South line and 750 feet from the West line (Unit L) of said Section 1, or

(b) 660 feet from the South line and 2310 feet from the East line (Lot 31/Unit W) of said Section 1.

(8) At the time of the hearing both Division Case Nos. 11723 and 11755 were consolidated for the purpose of presenting testimony. Since both cases involve the same acreage and subject matter, one order should be entered for both cases.

