

CASE 5673: DAVID FASKEN FOR
APPROVAL OF AN UNORTHODOX GAS WELL
LOCATION, EDDY COUNTY, NM

CASE NO.

5673

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5673
Order No. R-5213

APPLICATION OF DAVID FASKEN FOR
AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 28, 1976,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 18th day of May, 1976, the Commission, a
quorum being present, 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 Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, David Fasken, seeks approval of
an unorthodox gas well location 1980 feet from the South line
and 660 feet from the West line of Section 32, Township 20
South, Range 25 East, NMPM, to test the Morrow formation,
Cemetery-Morrow Gas Pool, Eddy County, New Mexico.

(3) That the S/2 of said Section 32 is to be dedicated
to the well.

(4) That a well at said unorthodox location will better
enable applicant to produce the gas underlying the proration
unit.

(5) That no offset operator objected to the proposed
unorthodox location.

(6) That approval of the subject application will afford
the applicant the opportunity to produce its just and equitable
share of the gas in the subject pool, will prevent the economic
loss caused by the drilling of unnecessary wells, avoid the

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Case No. 5673
Order No. R-5213

augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 1980 feet from the South line and 660 feet from the West line of Section 32, Township 20 South, Range 25 East, NMPM, Cemetery-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the S/2 of said Section 32 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



Phil R. Lucero

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 28, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of David Fasken for approval) CASE
of an unorthodox gas well location,) 5673
Eddy County, New Mexico.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: William F. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant: Sumner G. Buell, Esq.
MONTGOMERY, FEDERICI, ANDREWS,
HANNAHS & BUELL
Attorneys at Law
350 East Palace Avenue
Santa Fe, New Mexico

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JAMES B. HENRY

Direct Examination by Mr. Buell

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EXHIBIT INDEX

Page

Applicant's Exhibit No. One, Structure Map

9

Applicant's Exhibit No. Two, Logs

9

1 MR. STAMETS: We will call next Case 5673.

2 MR. CARR: Case 5673, application of David Fasken for
3 approval of an unorthodox gas well location, Eddy County,
4 New Mexico.

5 MR. BUELL: Mr. Examiner, I'm Sumner Buell appearing
6 on behalf of the applicant and I have one witness.

7 MR. STAMETS: If you will stand and be sworn, please

8 (THEREUPON, the witness was duly sworn.)

9

10 JAMES B. HENRY

11 called as a witness having been first duly sworn, was
12 examined and testified as follows:

13

14 DIRECT EXAMINATION

15 BY MR. BUELL:

16 Q Would you state your name, please?

17 A James B. Henry.

18 Q Mr. Henry, by whom are you employed, what capacity,
19 and where?

20 A I'm with Henry Engineering in Midland. We are a
21 consulting engineering firm representing David Fasken.

22 Q Mr. Henry, have you previously testified before the
23 Commission or one of its examiners and had your qualifications
24 accepted as a matter of record?

25 A Yes, I have.

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1 Q And are you familiar with what is sought in Case
2 Number 5673?

3 A Yes, I am.

4 MR. BUELL: Are the witness' qualifications
5 acceptable?

6 MR. STAMETS: They are.

7 Q (Mr. Buell continuing.) Would you briefly outline
8 for the Examiner what is sought in this application?

9 A In this application Mr. Fasken seeks approval of an
10 unorthodox location for a Morrow gas test to be drilled six
11 hundred and sixty feet from the west line, nineteen hundred
12 and eighty feet from the south line of Section 32, Township
13 20 South, Range 25 East.

14 Q Referring to what has been marked as Applicant's
15 Exhibit Number One would you please identify that and explain
16 what is shown on that exhibit?

17 A Exhibit Number One is a structure map of the south
18 end of the Cementery-Morrow field and the north end of the
19 Indian Basin-Morrow Pool. The contours are on a datum which
20 we call the top of the Morrow clastics. The contour interval
21 is fifty feet; the producing Morrow gas wells have been
22 annotated by orange circles; the proration units assigned to
23 each well have been outlined in yellow; the red line along
24 the south line of Sections 4 and 5 of Township 21 South,
25 Range 24 East show the boundary between the Indian Basin-

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1 Morrow Pool to the south and the Cemetery-Morrow Pool to
2 the north. The three hundred and twenty acre drilling and
3 spacing unit proposed for the well location sought by this
4 application is the south half of Section 32 of 20, 25 and is
5 outlined in red pencil. The proposed location is annotated
6 by a red circle in that proration unit.

7 Q Mr. Henry, who are the offset operators to this
8 proposed proration unit and well location?

9 A Those to the northwest and south are David Fasken,
10 the proration unit is offset to the east by Gulf.

11 Q Referring you to what has been marked as Exhibit
12 Number Two, would you explain what that is, please?

13 A Exhibit Number Two is a stratigraphic log correlation
14 of three wells in the immediate area of interest. The well on
15 the left is the David Fasken Cameron 31 Federal No. 1
16 located in Section 31 immediately west of the proposed
17 location sought in this order. The center log is from the
18 David Fasken Howell 32 Federal located in the east half of
19 the proposed proration unit and the well on the extreme
20 right is the David Fasken Shell Federal to the south in
21 Section 5 of 21, 24.

22 These logs have been correlated or hung on the
23 top of the Morrow clastics which is the upper-most heavy
24 line, the top of the Indian Hills sand or A zone sand as
25 it is commonly called in Eddy County.

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1 The red line vertically inscribed on this exhibit
2 shows the approximate stratigraphic location expected to be
3 encountered by the proposed well. The lower Morrow sand is
4 the primary objective of this proposed location. You will
5 note on the Cameron 31 Federal to the west that this lower
6 Morrow sand which is below the shaded green, the middle
7 Morrow shale on the exhibit was water-bearing in the Cameron
8 Federal. Drill stem test Number Four as annotated on the
9 log and described at the bottom of it recovered a hundred and
10 twenty-five feet of gas and mud cut salt water, plus six
11 thousand feet of salt water on the drill stem test. The top
12 of that sand was encountered at fifty-nine, eighty-five subsea
13 location, subsea depth.

14 The well immediately to the east of the proposed
15 location is the David Fasken Howell 32 No. 1, a drill stem
16 test of that same lower Morrow sand, noted as drill stem test
17 Number Three on the log and described at the foot of the log
18 recovered gas at the rate of two hundred and forty-seven MCF
19 per day with an initial shut-in pressure of thirty-eight, sixty
20 and a final shut in of thirty-eight, oh, two. At the time
21 this well was drilled we were faced with a sixteen cent gas
22 market in Eddy County and it was not thought that that zone
23 at that point in time was commercial and the well was abandoned.

24 What we are seeking here at the location between these
25 two is a well that would encounter this gas sand above water

1 and in a more favorable permeability area that would be gas
2 productive.

3 The bottom of the gas-productive sand in the Howell
4 32 No. 1 was minus fifty-nine, forty-eight for thirty-seven
5 feet high to the Cameron well to the west. Now, in the
6 Shell Federal Well to the south, shown on the right-hand side
7 of this exhibit, on the logs of a thick lower Morrow sand there
8 was a gas-water contact indicated at a minus fifty-nine,
9 seventy-six, which is intermediate between these two points
10 on the other two logs and we believe that it may indicate
11 that this is the same gas accumulation and it is consistent
12 with the data on the two wells to the north as to the location
13 of that gas-water contact.

14 Now, we believe that this is the optimum location
15 for the lower Morrow sands. It's also the optimum location
16 for the middle Morrow in that the Cameron Well, as you will
17 note, has a very thick section of middle Morrow B sand. It
18 produced over three million cubic feet of gas on a drill stem
19 test and it produced about seventeen million on an absolute
20 open-flow potential when completed and is currently producing
21 at the rate of one point seven million per day. The sand was
22 poorly developed in the Howell 32 Federal and was not tested,
23 although it does represent a good sand section it is very
24 tight as indicated on the log and we believe that a western
25 location in this drilling and spacing unit would have -- a more

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1 westerly location would have a better chance of encountering
2 that sand. Both wells to the east and the west of the proposed
3 location have some gas recovery in the Indian Hills or A sand.
4 The Howell 29 Federal was too small to measure but it did have
5 gas to the surface in fifty minutes. The Cameron 31 Federal
6 to the west had gas to the surface in twenty-nine minutes at
7 the rate of a hundred and eighty-seven MCF per day, so there
8 are two secondary possibilities for gas production.

9 The Cameron Well structurally is located on the
10 west flank of the little anticline as indicated on the map.
11 It had a dip meter showing a six degree west-northwest dip
12 indicating a very rapid improvement in structural conditions
13 to the east.

14 The Howell 32 Federal had a one-and-one-half degree
15 dip indicating that it would improve structural position to
16 the west and that is the reason for the extension of the
17 structural high across this location. We believe that the
18 location here is an optimum one and that it will encounter sands
19 that were not productive in the Howell 32 dry hole and sands
20 that are better developed than in that well.

21 Q Mr. Henry, in your opinion would the granting of
22 this application prevent waste and protect correlative rights?

23 A Yes, it would.

24 Q Were Exhibits One and Two prepared by you or under
25 your supervision?

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1 A. Yes, they were.

2 MR. BUELL: I move their admission into evidence.

3 MR. STAMETS: These exhibits will be admitted.

4 (THEREUPON, Applicant's Exhibits One and

5 Two were admitted into evidence.)

6 MR. STAMETS: Are there any questions of the witness?

7 He may be excused.

8 (THEREUPON, the witness was excused.)

9 MR. BUELL: I have nothing further, Mr. Examiner.

10 MR. STAMETS: There being nothing further, we will
11 take the case under advisement and we will take a short recess.

12 (THEREUPON, the hearing was in recess.)
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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.

Sidney F. Morrish
Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5673.
heard by me on 4-28-1976
Richard P. Thomas Examiner
New Mexico Oil Conservation Commission

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BEFORE THE
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Santa Fe, New Mexico
April 28, 1976

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350 East Palace Avenue
Santa Fe, New Mexico

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Direct Examination by Mr. Buell

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2 MR. CARR: Case 5673, application of David Fasken for
3 approval of an unorthodox gas well location, Eddy County,
4 New Mexico.

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21 Q Mr. Henry, in your opinion would the granting of
22 this application prevent waste and protect correlative rights?

23 A Yes, it would.

24 Q Were Exhibits One and Two prepared by you or under
25 your supervision?

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 Phone (505) 982-9212

1 A. Yes, they were.

2 MR. BUELL: I move their admission into evidence.

3 MR. STAMETS: These exhibits will be admitted.

4 (THEREUPON, Applicant's Exhibits One and

5 Two were admitted into evidence.)

6 MR. STAMETS: Are there any questions of the witness?

7 He may be excused.

8 (THEREUPON, the witness was excused.)

9 MR. BUELL: I have nothing further, Mr. Examiner.

10 MR. STAMETS: There being nothing further, we will

11 take the case under advisement and we will take a short recess.

12 (THEREUPON, the hearing was in recess.)

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REPORTER'S CERTIFICATE

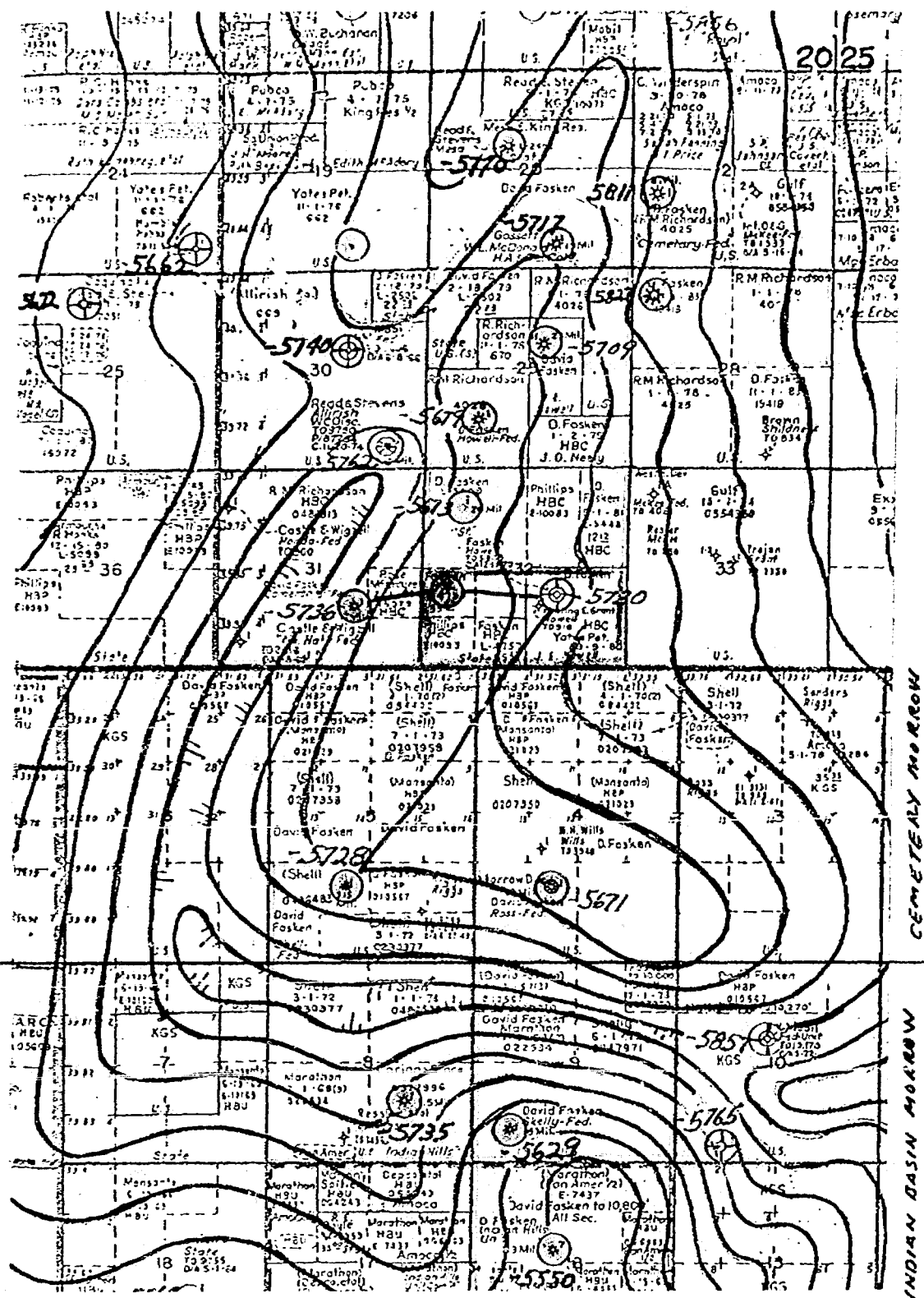
I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.

Sidney F. Morrish
Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5673,
heard by me on 4-28-76.
Richard F. Ham, Examiner
New Mexico Oil Conservation Commission

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Protraction Unit Boundary

Morrow Gas Well

Proposed Morrow Gas Well

HENRY ENGINEERING
MIDLAND, TEXAS

CEMETERY FIELD AREA
EDDY CO. NM

DATUM - TOP MORROW CLASTICS
CI-50'

Dockets Nos. 14-76 and 15-76 are tentatively set for hearing on May 12 and May 26, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 28, 1976

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 5670: Application of Read & Stevens, Inc. for an unorthodox location and directional drilling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to deviate its Harris-Federal Well No. 3, the surface location of which is 660 feet from the South line and 1980 feet from the East line of Section 27, Township 15 South, Range 28 East, Chaves County, New Mexico, by directionally drilling said well from a kick-off point at approximately 6000 feet and bottoming it at an unorthodox location in the Pennsylvanian formation within 250 feet of a point 990 feet from the South line and 1650 feet from the East line of said Section 27, the S/2 of the Section to be dedicated to the well.

CASE 5671: Application of Ard Drilling Co. for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to deviate its State 10 Well No. 1, the surface location of which is 660 feet from the South and East lines of Section 10, Township 10 South, Range 32 East, North Mescalero-Cisco Pool, Lea County, New Mexico, by directionally drilling said well from a kick-off point at approximately 7800 feet and bottoming it in the Cisco formation within 100 feet of a point 810 feet from the South line and 660 feet from the East line of said Section 10.

CASE 5672: Application of Horace F. McKay, Jr. for downhole commingling and simultaneous dedication, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Aztec-Fruitland and Aztec-Pictured Cliffs gas production in the wellbore of his Beardon "A" Well No. 1, located in Unit C of Section 19, Township 29 North, Range 10 West, San Juan County, New Mexico. Applicant further seeks approval for the simultaneous dedication of the NW/4 of said Section 19 to the above-described well and his Beardon Well No. 1 in Unit E of said Section 19.

CASE 5673: Application of David Fasken for approval of an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1980 feet from the South line and 660 feet from the West line of Section 32, Township 20 South, Range 25 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of said Section 32 to be dedicated to the well.

CASE 5674: Application of Agua, Inc. for an extension of time and amendment of Orders Nos. R-4495-A and R-4495-B, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Orders Nos. R-4495-A and R-4495-B to permit disposal, after the current May 7, 1976, deadline, of produced salt water through perforations from 4230 feet to 4320 feet in its SWD Well No. C-2, located in Unit C of Section 2, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant seeks the amendment of said orders to permit such disposal for an additional 90-day period after May 7, 1976, and thereafter until 30 days after the entry of an order favorable to the applicant in Case No. 5644.

CASE 5675: Application of Merrion & Bayless for a dual completion and downhole commingling, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (combination) of its Jicarilla 428 Well No. 2, located in Unit A of Section 31, Township 23 North, Range 4 West, Sandoval County, New Mexico, by cementing parallel strings of 2 7/8-inch casing and 4 1/2-inch casing in a common wellbore, completing said well in such a manner as to commingle undesignated Pictured Cliffs and undesignated Chacon gas production in the 2 7/8-inch casing, and to commingle various undesignated Mesaverde, Mancos, Gallup, Carlisle, and Graneros gas stringers in the 4 1/2-inch casing.

CASE 5443: (Reopened & Continued)

In the matter of Case 5443 being reopened pursuant to the provisions of Order No. R-4994, which order established special rules and regulations for the East Lusk-Bone Spring Oil Pool, Lea County, New Mexico, including a provision for 160-acre spacing and proration units. All interested parties may appear and show cause why said pool should not be developed on less than 160-acre spacing units.

Case 5673

MAR 30 1976

J. O. SETH (1883-1963)

MONTGOMERY, FEDERICI, ANDREWS, HANNAHS & BUELL

ATTORNEYS AND COUNSELORS AT LAW

350 EAST PALACE AVENUE

SANTA FE, NEW MEXICO 87501

CONSERVATION COMM

Santa Fe

POST OFFICE BOX 2307

AREA CODE 505

TELEPHONE 982-3875

A. K. MONTGOMERY
WM. R. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
SUMNER G. BUELL
SETH D. MONTGOMERY
FRANK ANDREWS III
OWEN M. LOPEZ
JEFFREY R. BRANNEN
JOHN BENNETT POUND

GARY R. KILPATRICK
THOMAS W. OLSON

March 29, 1976

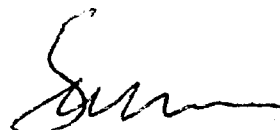
William F. Carr, Esq.
Counsel
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: In the matter of the Application of David Fasken
for an Unorthodox Well Location in the Southwest
Quarter (SW-1/4) of Section 32, Township 20 South,
Range 25 East, N.M.P.M., Eddy County, New Mexico;
Case # _____

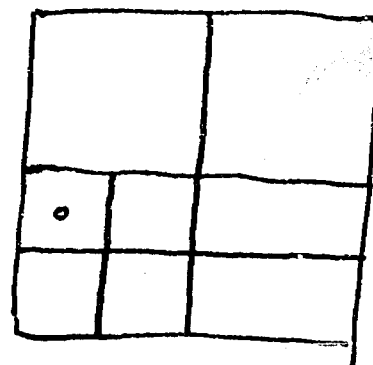
Dear Bill:

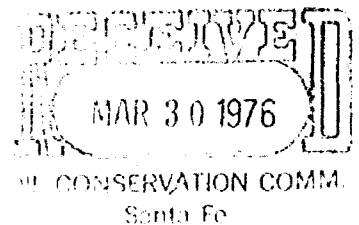
Enclosed please find the original and three copies of the
Application of David Fasken for an unorthodox well location
in Eddy County, as above referenced. I would appreciate
this being set on the docket which is next available for
a hearing.

Very truly yours,



SGB/vt
Enclosures
#5086-76-6





BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE
APPLICATION OF DAVID FASKEN
FOR AN UNORTHODOX WELL LOCATION
IN THE SOUTHWEST QUARTER (SW-1/4)
OF SECTION 32, TOWNSHIP 20 SOUTH,
RANGE 25 EAST, N.M.P.M., EDDY
COUNTY, NEW MEXICO.

Case No. 5673

APPLICATION

COMES NOW Applicant, DAVID FASKEN, by and through his attorneys, MONTGOMERY, FEDERICI, ANDREWS, HANNAHS & BUELL, and applies to this Commission for an Order allowing him to drill an unorthodox gas well, and in support thereof, states:

1. Applicant is the operator of the leased mineral interests throughout Section 32, Township 20 South, Range 25 East, N.M.P.M., Eddy County, New Mexico.
2. Applicant proposes to drill a Morrow gas well in the Southwest Quarter (SW-1/4) of said Section 32, said well to be located 660 feet from the West line and 1,980 feet from the South line of said Section 32.
3. Your Applicant is the offset operator to both the West and the South of the proposed unorthodox location.
4. The granting of this Application will prevent waste and protect correlative rights.

WHEREFORE, Applicant asks that this matter be set before the New Mexico Oil Conservation Commission or one of its examiners for a hearing, and that the request for relief be granted.

MONTGOMERY, FEDERICI, ANDREWS,
HANNAHS & BUELL

By *Sam Bue*
Attorneys for Applicant
P. O. Box 2307
Santa Fe, New Mexico 87501
(505) 982-3873

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE
APPLICATION OF DAVID FASKEN
FOR AN UNORTHODOX WELL LOCATION
IN THE SOUTHWEST QUARTER (SW-1/4)
OF SECTION 32, TOWNSHIP 20 SOUTH,
RANGE 25 EAST, N.M.P.M., EDDY
COUNTY, NEW MEXICO.

Case No. 5673


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1. Applicant is the operator of the leased mineral interests throughout Section 32, Township 20 South, Range 25 East, N.M.P.M., Eddy County, New Mexico.
2. Applicant proposes to drill a Morrow gas well in the Southwest Quarter (SW-1/4) of said Section 32, said well to be located 560 feet from the West line and 1,980 feet from the South line of said Section 32.
3. Your Applicant is the offset operator to both the West and the South of the proposed unorthodox location.
4. The granting of this Application will prevent waste and protect correlative rights.

WHEREFORE, Applicant asks that this matter be set before the New Mexico Oil Conservation Commission or one of its examiners for a hearing, and that the request for relief be granted.

MONTGOMERY, FEDERICI, ANDREWS,
HANNAHS & BUELL

By 
Attorneys for Applicant
P. O. Box 2307
Santa Fe, New Mexico 87501
(505) 982-3873

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE
APPLICATION OF DAVID FASKEN
FOR AN UNORTHODOX WELL LOCATION
IN THE SOUTHWEST QUARTER (SW-1/4)
OF SECTION 32, TOWNSHIP 20 SOUTH,
RANGE 25 EAST, N.M.P.M., EDDY
COUNTY, NEW MEXICO.

Case No. 5673

APPLICATION

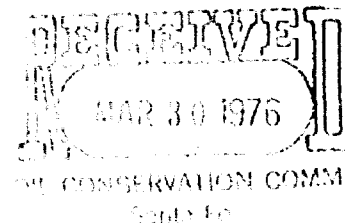
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3. Your Applicant is the offset operator to both the West and the South of the proposed unorthodox location.
4. The granting of this Application will prevent waste and protect correlative rights.

WHEREFORE, Applicant asks that this matter be set before the New Mexico Oil Conservation Commission or one of its examiners for a hearing, and that the request for relief be granted.

MONTGOMERY, FEDERICI, ANDREWS,
HANNAHS & BUELL

By Sam Bull
Attorneys for Applicant
P. O. Box 2307
Santa Fe, New Mexico 87501
(505) 982-3873



BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE
APPLICATION OF DAVID FASKEN
FOR AN UNORTHODOX WELL LOCATION
IN THE SOUTHWEST QUARTER (SW-1/4)
OF SECTION 32, TOWNSHIP 20 SOUTH,
RANGE 25 EAST, N.M.P.M., EDDY
COUNTY, NEW MEXICO.

Case No. 5673

APPLICATION

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1. Applicant is the operator of the leased mineral interests throughout Section 32, Township 20 South, Range 25 East, N.M.P.M., Eddy County, New Mexico.

2. Applicant proposes to drill a Morrow gas well in the Southwest Quarter (SW-1/4) of said Section 32, said well to be located 660 feet from the West line and 1,980 feet from the South line of said Section 32.

3. Your Applicant is the offset operator to both the West and the South of the proposed unorthodox location.

4. The granting of this Application will prevent waste and protect correlative rights.

WHEREFORE, Applicant asks that this matter be set before the New Mexico Oil Conservation Commission or one of its examiners for a hearing, and that the request for relief be granted.

MONTGOMERY, FEDERICI, ANDREWS,
HANNAHS & BUELL

By

Attorneys for Applicant
P. O. Box 2307
Santa Fe, New Mexico 87501
(505) 982-3873

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5673

Order No. R- 5213

APPLICATION OF DAVID FASKEN
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

Jan
ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 28, 1976,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of May, 1976, the Commission,
a quorum being present, 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
Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, David Fasken, seeks
approval of an unorthodox gas well location 1980 feet from the South
line and 660 feet from the West line of Section 32, Township
20 South, Range 25 East, NMPM, to test the
Morrow formation, Cemetery-Morrow Gas Pool,
Eddy County, New Mexico.

(3) That the S/2 of said Section 32 is to be dedicated to the
well.

(4) That a well at said unorthodox location will better enable
applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox
location.

-2-

Case No. _____
Order No. R- _____

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 1980 feet from the South line and 660 feet from the West line of Section 32, Township 20 South, Range 25 East NMPM, Cemetery-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the S/2 of said Section 32 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.