

Case No.

41

Application, Transcript,
Small Exhibits, Etc.

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WESTERN UNION

1217-B

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R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

Send the following telegram, subject to the terms on back hereof, which are hereby agreed to

SANTA FE NEW MEXICO APRIL 26, 1943

FLOYD RIGDON
CURRENT ARGUS
CARLSBAD, NEW MEXICO

PLEASE AIRMAIL IMMEDIATELY PUBLISHERS AFFIDAVIT CASE 41. HEARING
TOMORROW.

CARL B. LIVINGSTON, CHIEF CLERK & LEGAL ADVISOR
N. M. OIL CONSERVATION COMMISSION

SEND: STRAIGHT TELEGRAM
CHG: OIL CONSERVATION COMMISSION

CLASS OF SERVICE
This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1201

SYMBOLS	
DL	Day Letter
NT	Overnight Telegram
LC	Deferred Cable
LT	Cable Night Letter
	Ship Radiogram

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

The filing time shown in the date time on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

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CARL LIVINGSTON=

APR 26 PM 5 30

OIL CONSERVATION COMMISSION SF=

AFFIDAVIT CASE 41 BEING SENT AIRMAIL SPECIAL SORRY FOR
DELAY REGARDS=

F B RIGDON DAILY CURRENT-ARGUS.

L CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

April 10, 1943

Honorable Carl A. Hatch
United States Senator
Senate Office Building
Washington, D. C.

Re: Case No. 81 - Exception to Loss Hills Order
No. 339 - in petition of Aston & Fair,
Scheurich and Carl A. Hatch.

Dear Senator Hatch:

The hearing upon your petition in the above captioned
matter is set for 10:00 a.m., April 21, together with other cases,
at Santa Fe.

Some time ago you requested that Mr. T. A. Scheurich
also be notified when your petition was set for hearing;
accordingly Mr. Scheurich is being sent such a notice.

The permission sought in your petition has been
carried by an emergency order renewed at semi-monthly
pronation periods in order that the petitioners may be
granted the relief sought pending the hearing and the
pronunciation of a permanent order.

With kindest personal regards.

Very truly yours,

John H. Kelly
Director

By

Chief Clerk & Legal Advisor

CHL:NE
cc Aston & Fair
321 White Building
Roswell, N. M.

R. W. Fair
Box 689
Tyler, Texas

C. A. Scheurich, Clovis

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF AUTHORIZING AN EXCEPTION TO
ORDER NO. 339, THE LOCO HILLS PRESSURE
MAINTENANCE ORDER, WHEREBY THE OWNERS OF
SCHEURICH STATE WELL NO. 4, USED AS A GAS IN-
PUT WELL, ARE PERMITTED TO INCLUDE CERTAIN WELLS
NOT UPON THE SAME LEASE OWNERSHIP AS THAT OF SAID
IN-PUT WELL FOR THE PURPOSE OF TAKING THE LEAST
ALLOWABLE OF SUCH IN-PUT WELL.

EMERGENCY ORDER NO. 11

EMERGENCY ORDER OF THE COMMISSION

The New Mexico Oil Conservation Commission, hereinafter referred
to as the Commission, upon the petitioners' verified petition, for the
purpose of the Emergency Order herein, finds:

F I N D I N G S

1. That the petitioners, Aston & Fair, C. A. Scheurich, and
Honorable Carl A. Hatch, with others, are the owners of certain oil
producing wells in the Loco Hills Field, Eddy County, New Mexico, to-wit:

Aston & Fair - Scheurich-State Well No. 3, SWNW 32-173-308
Aston & Fair - Scheurich-State Well No. 4, SWNW 32-173-308

That said Scheurich-State Well No. 4 is a gas input well within
the Loco Hills Pressure Maintenance Project.

2. That H. W. Fair - Kinfolke Trust-State Well No. 3, SWNW 32-
173-308 and Aston & Fair-State Well 6B - SWNW 32-173-308 are owned by
H. W. Fair, Aston & Fair and their associates.

3. That under Order No. 339, the Loco Hills Pressure Maintenance
Order of this Commission, it is permissible to take the allowable for
Scheurich Well No. 4, used as an input well, from Scheurich Well No. 3,
which are both located upon the same lease, and that is now being done.

4. That all four wells involved herein are upon separate forty-
acre tracts or proration units, all in one basic ownership, that of the
Common Schools of the State of New Mexico.

5. That the owners, Kinfolke Trust State Well No. 3, Aston & Fair
State Well 6B, are agreeable to dividing the allowable for the gas input
well, Scheurich-State well No. 4 among the following:

Scheurich-State Well No. 3
H. W. Fair - Kinfolke Trust-State No. 3
Aston & Fair Well 6B.

6. That to permit the division of the allowable for said input well to be made as petitioned for will work no hardship upon the royalty owner, but will more equitably adjust the allowable among the wells herein described than is now distributed in that all such allowable is now required to be taken from Scheurich-State Well No. 3.

7. That pending the formal hearing upon petitioners' petition an emergency exists and is hereby so declared.

IT IS THEREFORE ORDERED BY THE COMMISSION:

That the allowable lost by said Scheurich State Well No. 4 by reason of its use as a gas in-put well shall be equally divided among said Scheurich-State Well No. 3, R. W. Fair - Kinfolks Trust-State Well No. 3 and Aston & Fair Well 6B, more particularly described by proration units in the findings hereinabove.

This Emergency Order shall be effective for the last half of January, 1943, proration period — from January 16 to January 31, 1943.

Done at Santa Fe, New Mexico, on this 16th day of January, 1943.

NEW MEXICO OIL CONSERVATION COMMISSION

(SGD) JOHN J. DEMPSEY

John J. Dempsey, Chairman

H. R. Rodgers, Member

(SGD) JOHN M. KELLY

John M. Kelly, Secretary.

SOIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

P. O. Box 371

January 12, 1943

C
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P
Y

Honorable Carl A. Hatch
United States Senator
Senate Office Building
Washington, D. C.

My dear Senator Hatch:

In reply to your airmail letter of January 9, possibly my letter of December 15 may not have come to your attention--the original was sent to Washington and a carbon copy to Clovis. A copy of that letter is enclosed for your information.

This is to reassure you that the Commission has not overlooked the hearing upon your petition to modify Loco Hills Order No. 339 with regard to Aston & Fair, Scheurich Nos. 3 and 4. The hearing on your petition is to be held next month. When the date is determined and publication started you will be notified immediately.

With kindest personal regards.

Very truly yours,

JOHN M. KELLY
DIRECTOR

BY

Chief Clerk & Legal Advisor

CEL:MS

CARL A. MATCH, N. MEX., CHAIRMAN
ROBERT F. WAGNER, N. Y.
JOSEPH C. O'MAHONEY, WYO.
JAMES E. MURRAY, MONT.
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JOHN THOMAS, IDAHO
RAYMOND E. WILLIS, IND.
W. H. MC MAINS, CLERK

United States Senate

COMMITTEE ON
PUBLIC LANDS AND SURVEYS

January 9, 1943.

Mr. Carl Livingston,
State Land Office,
Santa Fe, New Mexico.

Dear Carl:

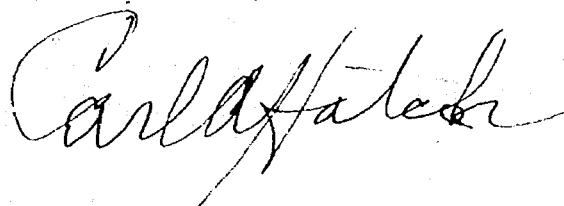
I am writing again about the hearing on our application to distribute the allowable from Scheurich No. 4 to other wells described in our application. As I told you, I am afraid the present allowance is costing us, not only considerable money, but I am fearful now that the strain on this one well is too great and it may really jeopardize the life of the well itself.

I wish you would explain to the Commission that, while I do not want to be unduly insistent, nevertheless as long as everyone else has been agreeable to the new allocation proposed in the application, it doesn't seem quite right to us that all the burden of the input well be placed on one other well on the same lease. Certainly, it should be distributed a little more equally. Please have the Commission set a date for hearing and let me know when that date is, as I want to be present at the time to fully explain the situation.

With regards and all good wishes for the New Year, I am,

Sincerely yours,

CAH:EM



THE CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

P. O. Box 871

December 19, 1942

C
O
P
Y

Honorable Carl A. Hatch
United States Senator
Senate Office Building
Washington, D. C.

Dear Senator Hatch:

The matters of a hearing which you again request in your letter of December 15 to Mr. John M. Kelly, were answered by the writer with explanation on the same date-- the two letters having crossed on the way.

With kindest regards.

Very truly yours,

Carl B. Livingston
Chief Clerk & Legal Advisor

CEL:MS
cc Senator Hatch, Clovis

FREDERICK VAN NUY, IND., CHAIRMAN
PATRICK MCCARRAN, NEV.
CARL A. NATCH, N. MEX.
TON CONNALLY, TEX.
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ABE MURDOCK, UTAH
ERNEST W. MCFARLAND, ARIZ.

GEORGE W. NORRIS, NEB.
WARREN R. AUSTIN, VT.
JOHN A. CANAHER, CONN.
ALEXANDER WILEY, WIS.
WILLIAM LANGER, N. DAK.
HAROLD H. BURTON, OHIO

United States Senate

COMMITTEE ON THE JUDICIARY

BEN STERN, CLERK
DIX. W. PRICE, ASST. CLERK

December 15, 1942.

Mr. John Kelly,
New Mexico State Geologist,
Santa Fe, New Mexico.

My dear John:

Some months ago I filed an application for myself and others concerning an input well in Loco Hills Field. Aston & Fair, C. A. Scheurich, myself and others had two producing wells on what is called the Scheurich lease. When the repressure maintenance plan was inaugurated one of these wells was used as an input well. The order permitted the allowable for both wells to be made from one well. This never seemed to me to be fair.

Stopping production from one well and using it for the benefit of all the surrounding territory by requiring the allowable to be made from the other well seemed to be unfair to us when other owners were getting the full benefit of the input well and were contributing nothing in the way of an allowable.

Mr. Aston and Mr. Fair recognized this inequity and signified their willingness to contribute from two adjoining wells which they own, letting the allowable for the input well be made from three or four adjoining wells instead of one.

Our application sets forth these things fully and asks permission to distribute the allowable in this manner but so far no action has been taken on the application. Before I left Washington I wrote the Commission asking that a time be set for hearing and that this inequity be corrected. To that letter I have had no reply.

Naturally, you can see that this condition is costing us a good deal of money all the time and while I would make any contribution to the life of the field, I can not help but believe those who benefit should make a reasonable contribution.

FREDERICK VAN NUYS, IND., CHAIRMAN
PATRICK MCCARRAN, NEV.
CARL A. HATCH, N. MEX.
TOM CONNALLY, TEX.
JOSEPH C. O'MAHONEY, WYO.
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ABE MURDOCK, UTAH
ERNEST W. McFARLAND, ARIZ.

GEORGE W. NORRIS, NEB.
WARREN R. AUSTIN, VT.
JOHN A. DANAHY, CONN.
ALEXANDER WILEY, WIS.
WILLIAM LANGER, N. DAK.
HAROLD H. BURTON, OHIO

United States Senate

COMMITTEE ON THE JUDICIARY

BEN STERN, CLERK
DIX. W. PRICE, ASST. CLERK

#2.

Will you please look up this file and advise me at
your early convenience what if anything can be done.

With personal regards, I am

Sincerely yours,

Carl Hatch

CAH-FO

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

P. O. Box 871

December 15, 1942

C
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Y

Honorable Carl A. Hatch
United States Senator
Senate Office Building
Washington, D. C.

Dear Senator Hatch:

Your petition with regard to modifying the Loco Hills Order No. 339 with regard to Aston & Fair, Scheurich Nos. 3 and 4, has not been overlooked.

It was thought that the Loco Hills Pressure Maintenance Association was going to include in their petition a request for a general revision including the matter you had in mind; however, that was not the case.

Hearing on your petition is to be held in February.

With kindest personal regards.

Very truly yours,

Carl B. Livingston
Chief Clerk & Legal Advisor.

CHEL:MS

WILSON CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

P. O. Box 871

June 13, 1942

C
O
P
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Honorable Carl A. Hatch
U. S. Senator from New Mexico
313 Senate Office Building
Washington, D. C.

Dear Senator Hatch:

In view of the fact that a petition for general revision of Order No. 339, Loco Hills Pressure Maintenance Project, may come before the Commission within the near future, the Commission is deferring calling a hearing upon your petition for a month. For if a petition for general revision of the existing order is to be filed, then your matter could be considered under the petition of such general revision.

With kindest personal regards.

Cordially yours,

Carl B. Livingston
Chief Clerk & Legal Advisor

CELEMS

Write Hatch
re over rule -
general Loco Hills
Hearing Feb

SANTA FE, NEW MEXICO

May 29, 1942

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CBL:MS

CARL A. HATCH, N. MEX., CHAIRMAN
ROBERT F. WAGNER, N. Y.
JOSEPH C. O'MAHONEY, WYO.
JAMES E. MURRAY, MONT.
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CHARLES O. ANDREWS, FLA.
JOHN LEE, C. ILL.
MON C. WALLGREN, WASH.
ABE MURDOCK, UTAH
EDWIN C. JOHNSON, COLO.

W. H. MC MAINS, CLERK

GERALD P. NYE, N. DAK.
CHAS GURNEY, S. DAK.
RUFUS C. HOLMAN, OREG.
JOHN THOMAS, IDAHO
RAYMOND E. WILLIS, IND.

United States Senate

COMMITTEE ON
PUBLIC LANDS AND SURVEYS

May 25, 1942.

Mr. Carl B. Livingston,
Chief Clerk and Legal Adviser,
State Land Office,
Santa Fe, New Mexico.

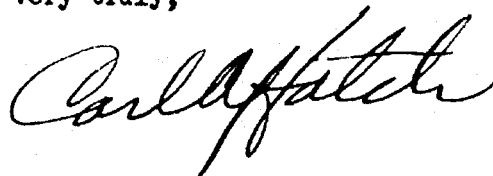
Dear Carl:

I have just now got around to preparing the petition for division of allowable on acreage we own in the Loco Hills field.

The petition is enclosed. Will you please see that the necessary order fixing the public hearing and notice thereof be entered as required. Let me know as soon as the order is made when the hearing will be held. In the meantime, I will be preparing the written consent for the owners of the other acreage to file. In view of the fact that everybody consents to this arrangement and that it will materially benefit the owners of the input well without doing any injury to the royalty owner, I am wondering if it will be necessary to appear at the hearing.

With personal regards, I am

Yours very truly,



CAH-VLF

NEW MEXICO CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

P. O. Box 871

May 12, 1942

C
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Honorable Carl A. Hatch
U. S. Senator from New Mexico
313 Senate Office Building
Washington, D. C.

Re: Loco Hills Pressure Maintenance Project - Order No. 339

Re: Aston & Fair - Scheurich State No. 3, NMSW 32-17S-30E
Aston & Fair - Scheurich State No. 4, NMSW 32-17S-30-input well
R. W. Fair - Kinfolks Trust State No. 3, SSWW 32-17S-30E
Aston & Fair State 6B - SSWW 32-17S-30E.

My dear Senator Hatch:

Reference is made to your letter of May 4.

Without committing the Commission in any way as to its policies or decision, the procedure for presenting the matter to the Commission is as follows: the matter should be by formal petition and hearing before the Commission, in view of the fact that the matter desired is contrary to Section 3 of the order portion of Order No. 339, a copy of which is enclosed. That section in substance permits the following: where a well is used as an input well, the owner is allowed to take the allowable for such input well from another well or wells on the owner's lease. You seek to take the allowable for Scheurich No. 3 used as an input well as follows: one-half from Scheurich No. 4, which you state is upon the same lease as Scheurich No. 3, the input well, and the other half to be divided between two other wells not upon the same lease as the input well.

As already pointed out, the matter you seek involves a change in the existing order insofar as the particular wells in question are concerned. In that a change or modification of an existing order is involved a public hearing is required by reason of Section 15, Chapter 72, Laws of New Mexico, 1935:

"Before any rule, regulation or order, including revocation, change, renewal or extension thereof, shall be made under the provisions of this act, a public hearing shall be held at such time, place and manner as may be prescribed by the Commission. The Commission shall first give reasonable notice of such hearing (in no case less than ten days, except in an emergency) and at any such hearing any person having an interest in the subject matter of the hearing shall be entitled to be heard."

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Carl A. Hatch

-2-

5-12-42

Your petition should state the facts simply and should be accompanied by a plat. That plat or a similar one should be introduced into evidence at the hearing. The owners of the two wells not upon the lease of the input well from which one-half of the allowable of the input well is to be made should give their express consent at the hearing as a necessary part of the record. The petition should be verified.

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For the purpose of simplicity you are fortunate in the fact that all four wells involved are upon 40 acre tracts of one basic ownership—that of common schools—so as not to complicate royalty matters for the basic owner.

I am sending you Circular No. 1 of the Commission with your attention directed to not only Section 15 but also Section 5 of the Oil Conservation Law.

With kindest personal regards, I am

Very truly yours,

Carl B. Livingston
Chief Clerk & Legal Advisor

CEL:MS

CARL A. HATCH, N. MEX., CHAIRMAN
 ROBERT F. WAGNER, N. Y.
 JOSEPH C. O'MAHONEY, WYO.
 JAMES E. MURRAY, MONT.
 PAT MCCARRAN, NEV.
 CHARLES O. ANDREWS, FLA.
 JOSH LEE, OKLA.
 MON C. WALLGREN, WASH.
 ABE MURDOCK, UTAH
 EDWIN C. JOHNSON, COLO.

W. H. MC MAINS, CLERK

United States Senate

COMMITTEE ON
 PUBLIC LANDS AND SURVEYS

May 4, 1942

Mr. Carl Livingston
 State Land Office
 Santa Fe, New Mexico

My dear Carl:

I need some legal information and advice as to just how to proceed with the oil matter in which I have a personal interest. Mr. Scheurich and I, with associates, as you know, have two producing wells in the Loco Hills field. One of these wells is being used as an input well under the repressure plan in effect in that field. This is a state lease. Taking one of our wells for an input well requires us to make all of our oil from one well, which is just a little bit of heavy burden, we think, on us. Messrs. Fair and Aston have two wells on the same basic lease.

C.S. → They have agreed that these two wells (Kinvolks-Trust State #1 SWNW 32-17-30 and Aston and Fair State #6B) SENW 32-17-30, should join with the one Scheurich well to the extent of making up 1/2 of the allowable for the present input well thereby reducing the pull on the Scheurich #3.

Mr. Aston advises me that the Oil Conservation Committee, under the pressure maintenance contract, has full authority to issue an order providing for the output of the input well to be made up from the other wells on the same basic lease. We would like very much for the Commission to make the order as suggested by Aston and Fair.

Our lease on which the input well is located is the C.S. → N₂ of the S₂ of Section 32, Township 17 South, Range 30 East. We want the Commission's order to allow Scheurich #3 on the above described acreage to make up one-half of the allowable for Scheurich #4, and the other one-half to be made up respectively between the wells owned by Aston and Fair, as hereinbefore set forth.

(Aston and Fair)
 L (NW NW)
 K (NE NW)

(Aston and Fair)

R. W. Fair
 E (NW NW)
 F (NE NW)

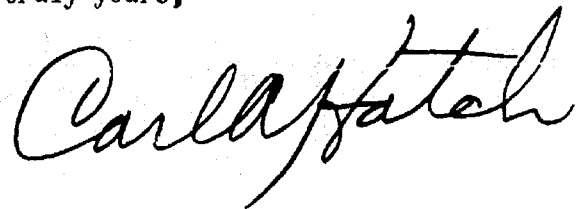
-2-

Will you please advise me as to just what steps are necessary to make formal application? If, under the contract agreement, an informal application is sufficient, you may treat this letter as such application, as I am authorized to speak for the other associates in this matter.

Will you please address your reply to me at Washington, as I shall be leaving very shortly. My address there is 313 Senate Office Building, Washington, D. C.

With personal regards, I am

Very truly yours,

A handwritten signature in cursive script, reading "Carl Hatch". The signature is written in dark ink and is positioned to the right of the typed name "Carl Hatch".

CAH/DH

Township No. 17S of Range No. 30E

New Mexico Principal Meridian.

	6	5	4	3	2	1
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
✓	✓	✓	✓	✓	✓	✓
✓	✓	✓	✓	✓	✓	✓
✓	✓	✓	✓	✓	✓	✓
31	32	33	34	35	36	

BEFORE THE OIL CONSERVATION
COMMISSION OF THE STATE
OF NEW MEXICO

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

CASE NO. 23

ORDER NO. 339

THE PETITION OF THE OPERATORS COMMITTEE
FOR THE OPERATORS IN THE LOCO HILLS
POOL IN EDDY COUNTY, IN CONNECTION WITH
THE PROPOSAL OF A COLLECTIVE PRESSURE
MAINTENANCE PROGRAM FOR SAID POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at two o'clock P.M., December 11, 1940 at Santa Fe, New Mexico.

NOW, on this 28th day of January, 1941, the Commission having before it for consideration the testimony adduced at the hearing of said case and being fully advised in the premises, the Commission finds:

F I N D I N G S

1. That the Loco Hills oil and gas field in Eddy County, New Mexico, which is referred to in the amended petition, should be re-defined as including the following tracts of land:

Township 17 South, Range 29 East: $S\frac{1}{2}S\frac{1}{2}$ of Section 32, $S\frac{1}{2}SW\frac{1}{4}$ of Section 35, and $S\frac{1}{2}$ of Section 36.

Township 17 South, Range 30 East: $NE\frac{1}{4}NE\frac{1}{4}$, $S\frac{1}{2}NE\frac{1}{4}$, and $S\frac{1}{2}$ of Section 31, and $W\frac{1}{2}$ and $W\frac{1}{2}E\frac{1}{4}$ of Section 32.

Township 18 South, Range 29 East: All of Sections 1, 2, 3, 4, 5 and $E\frac{1}{2}$ of Section 6, all of Sections 8, 9, 10, 11, $NE\frac{1}{4}$, $S\frac{1}{2}NE\frac{1}{4}$, $SE\frac{1}{4}$ of Section 12, $NE\frac{1}{4}$ of Section 14, $NE\frac{1}{4}NE\frac{1}{4}$, $NE\frac{1}{4}NW\frac{1}{4}$ of Section 15, $NE\frac{1}{2}$ of Section 16, and the $NE\frac{1}{2}$ of Section 17.

Township 18 South, Range 30 East: $NE\frac{1}{4}NW\frac{1}{4}$ of Section 5, all of Section 6, and $W\frac{1}{2}$ of Section 7.

2. That the plan for conserving the reservoir energy in the said Loco Hills Field as proposed in the amended petition is a proper and necessary plan in its general aspects for the prevention of waste and the conservation of the natural resources of the State.

3. That in the operation of the said conservation plan it is advisable that producing oil wells be used for the purpose of returning waste gas to the oil-bearing formations. During the period of such use it will not be possible for such wells to produce their allowable amount of oil and the owners of such wells will be permitted to produce such lost allowable from any other well or wells on owner's lease.

4. That the two gas wells referred to in the amended petition if permitted to produce, would produce natural gas from an oil-bearing formation, and the production of gas from such wells will therefore result in a decrease of reservoir energy. It is essential to the success of the proposed conservation plan that no wells capable of producing gas only should be permitted to produce such gas if such production would come from an oil-bearing formation. On account of the fact that the said wells were drilled prior to the formulation of the proposed plan, the owners of said wells should be permitted to receive as compensation for closing in such wells an allowable in oil equal to one hundred per cent (100%) of the top allowable prevailing in the field and the owners of each of such wells should be permitted to produce such allowable from any oil wells located on owner's lease, which produce oil from the same horizon.

IT IS THEREFORE ORDERED:

1. That the Loco Hills oil and gas field, Eddy County, New Mexico, is hereby re-defined as consisting of and including the following described tracts of land:

Township 17 South, Range 29 East: $S\frac{1}{2}S\frac{1}{2}$ of Section 32, $S\frac{1}{2}S\frac{1}{2}$ of Section 35, and $S\frac{1}{2}$ of Section 36.

Township 17 South, Range 30 East: $NE\frac{1}{4}NE\frac{1}{4}$, $S\frac{1}{2}N\frac{1}{2}$, and $S\frac{1}{2}$ of Section 31, and $W\frac{1}{2}$ and $W\frac{1}{2}E\frac{1}{2}$ of Section 32.

Township 18 South, Range 29 East: All of Sections 1, 2, 3, 4, 5 and $E\frac{1}{2}$ of Section 6, all of Sections 8, 9, 10, 11, $N\frac{1}{2}N\frac{1}{2}$, $S\frac{1}{2}NE\frac{1}{4}$, $SE\frac{1}{4}$ of Section 12, $N\frac{1}{2}N\frac{1}{2}$ of Section 14, $NE\frac{1}{4}NE\frac{1}{4}$, $N\frac{1}{2}NW\frac{1}{4}$ of Section 15, $N\frac{1}{2}$ of Section 16, and the $N\frac{1}{2}$ of Section 17.

Township 18 South, Range 30 East: $N\frac{1}{2}NW\frac{1}{4}$ of Section 5, all of Section 6, and $W\frac{1}{2}$ of Section 7.

Any previous order of the Commission defining the said field as including other tracts of land or not including some of the above tracts of land is hereby modified accordingly. That portion of the area heretofore designated as the Loco Hills Area not included in the area hereinabove described is hereby designated as the Leo Area.

2. That the proposed plan for conserving the reservoir energy in the said field as set forth in the amended petition is hereby approved in its general aspects. Such plan shall hereafter be known as the Loco Hills Pressure Maintenance Plan.

3. That in the operation of the said Loco Hills Pressure Maintenance Plan producing oil wells may be used for the purpose of returning waste gas to the oil-bearing formations, and the allowable amount of oil which any well so used fails to produce during the period of such use may be produced by the owner of the input well from other wells located on owner's lease, and as long after the cessation of its use as the capacity of such well to produce oil has been impaired by its use as an input well. If the owner of such input well is the owner of more than one other producing oil well on his lease, the Commission may require, without further notice or hearing, that such lost allowable be apportioned on an equitable basis among owner's other wells on his lease. No well shall be used as an input well without the consent of the owner.

4. That during such period of time as either one or both of the two gas wells referred to in Paragraph 11 of the amended petition are not permitted to produce natural gas, the owner or owners of such well or wells shall be permitted to produce from oil wells owned by them on the same lease an allowable in oil equal to one hundred per cent (100%) of the top allowable prevailing in the field, provided

that such allowable of oil be produced from the same horizon from which the natural gas from the closed well or wells would be produced.

In the case of the well owned by R.W. Fair, et al., located on the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 10, T. 18 S., R. 29 E., N.M.P.M., the oil allowable shall be apportioned on an equitable basis among the other wells owned by the owners of the said gas well, which are located on the E $\frac{1}{2}$ of said Section 10.

In the case of the other gas well owned by Bassett and Birney, located on the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 11, in said Township and Range, the oil allowable of such well shall be apportioned on an equitable basis among all of the other wells in the field belonging to said owners which are located on State Land.

5. That for the purpose of taking under further advisement, the Commission reserves herein for a supplemental order the matters in this petition insofar as they relate to the reallocation of back allowable oil in the field, which is present presented by Paragraph 9 of the amended petition.

OIL CONSERVATION COMMISSION

Sgd. John E. Miles, Governor
" H.R. Rodgers, Land Commissioner
" A. Andreas, State Geologist

ORDER NO. 33, PETITION NO. 33
KNOW ALL MEN BY THESE PRESENTS, THAT THE
COMMISSIONER OF THE LANDS AND MINES OF THE STATE OF NEW MEXICO,
DO hereby certify that the following is a true and correct copy of the
order of the COMMISSIONER OF THE LANDS AND MINES OF THE STATE OF NEW MEXICO,
as the same appears from the records of said Commission.

FINDINGS

1. That the petitioners, Aston & Fair, C. A. Schaurich, and Honorable Carl A. Hatch, with others, are the owners of certain oil producing wells in the Loco Hills Field, Eddy County, New Mexico, to-wit:

Aston & Fair - Schaurich-State Well No. 3, NMSW 32-173-308
Aston & Fair - Schaurich-State Well No. 4, NMSW 32-173-308

That said Schaurich-State Well No. 4 is a gas input well within the Loco Hills Pressure Maintenance Project.

2. That R. W. Fair - Kinfolks Trust-State Well No. 3, SNW 32-173-308 and Aston & Fair-State Well No. 6B - SNW 32-173-308 are owned by R. W. Fair, Aston & Fair and their associates.

3. That under Order No. 33, the Loco Hills Pressure Maintenance Order of this Commission, it is permissible to take the allowable for Schaurich Well No. 4, used as an input well, from Schaurich Well No. 3, which are both located upon the same lease, and that is now being done.

4. That all four wells involved herein are upon separate forty-acre tracts or proration units, all in one basic ownership, that of the Common Schools of the State of New Mexico.

5. That the owners, Kinfolks Trust State Well No. 3, Aston & Fair-State Well 6B, are agreeable to dividing the allowable for the gas input well, Schaurich-State Well No. 4 among the following:

Schaurich-State Well No. 3
R. W. Fair - Kinfolks Trust-State No. 3
Aston & Fair Well 6B

6. That to permit the division of the allowable for said input well to be made as petitioned for will work no hardship upon the royalty owner, but will more equitably adjust the allowable among the wells herein described than is now distributed in that all such allowable is now required to be taken from Schaurich-State Well No. 3.

IT IS THEREFORE ORDERED BY THE COMMISSION:

That the allowable lost by said Schaurich State Well No. 4 by reason of its use as a gas in-put well shall be permitted to be divided among said Schaurich-State Well No. 3, R. W. Fair - Kinfolks Trust-State Well No. 3 and Aston & Fair Well 6B, more particularly described by proration units in the findings hereinabove, in such proportions as will not cause injury to the wells and as long as agreeable to the respective well owners. No well, however, shall be allowed to produce over twice the top or unit allowable.

That this order shall become effective on the first day of the proration month next succeeding the month in which said Order is adopted.

CASE NO. 41

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF ASTON & FAIR, C. A. SCHEURICH, AND CARL A. HATCH FOR AN EXCEPTION TO ORDER NO. 339, THE LOCO HILLS PRESSURE MAINTENANCE ORDER, IN ORDER THAT THE OWNERS OF SCHEURICH STATE WELL NO. 4, UPON THE NESW 32-17S-30E, USED AS A GAS INPUT WELL, SHALL BE PERMITTED TO TAKE THE LOST ALLOWABLE FOR SUCH INPUT WELL; BY DIVIDING SUCH LOST ALLOWABLE AMONG ASTON & FAIR - SCHEURICH STATE WELL NO. 3, NWSW 32-17S-30E, UPON THE SAME LEASE, AND THE FOLLOWING WELLS NOT UPON THE SAME LEASE: R. W. FAIR - KINFOLKS TRUST STATE WELL NO. 3, SWNW 32-17S-30E, AND ASTON & FAIR STATE WELL 65, SEMW 32-17S-30E.

Pursuant to notice by the Commission, duly made and published, setting April 27, 1943, at ten o'clock, A. M., for hearing in the above entitled matter, said hearing was convened on said day, at said hour, in the Coronado Room, La Fonda, Santa Fe, New Mexico, the Commission sitting as follows:

HON. JOHN J. DEMPSEY, Governor of New Mexico, Chairman
HON. JOHN M. KELLY, State Geologist, Secretary
HON. R. H. RODGERS, Commissioner of Public Lands, Member
HON. CARL B. LIVINGSTON, Chief Clerk and Legal Advisor.

APPEARANCES:

<u>Name</u>	<u>Company</u>	<u>Address</u>
R. E. Adams	Cities Service Oil Co.	Bartlesville, Okla.
D. C. Albers	The Ohio Oil Co.	Midland, Texas
W. D. Mitchell	Gulf Oil Corp.	Hobbs, N. M.
G. H. Gray	Repollo Oil Co.	Midland, Texas
Floyd Brett	do	Ft. Worth, Texas
H. E. Berg	Tidewater Assoc. Oil	Midland, Texas
L. F. Shipler	The Texas Co.	Midland, Texas
E. H. Holcomb	Great Western Prod., Ind.	Lubbock, Texas
Geo. P. Livermore	do	Lubbock, Texas
Francis C. Wilson	Wilson Oil Co.	Santa Fe, N. M.
Neville G. Penrose		Ft. Worth, Texas
Glenn Staley	Proration Office	Hobbs, N. M.
Leo Fry	Stanolind	Hobbs, N. M.
R. W. O'Neill	Phillips Pet. Co.	Odessa, Texas
D. R. McKeithan	do	Bartlesville, Okla.
Colin C. Rae	Skelly Oil Co.	Tulsa, Okla.
George W. Selinger	do	Tulsa, Okla.
H. B. Hurley	Continental Oil Co.	Ft. Worth, Texas
E. H. Griswold	N.M.P.U.	Midland, Texas
R. Van A. Mills	Continental Oil Co.	Ponca City, Okla.
C. C. Cragin	Western Gas	El Paso, Texas
W. B. Davis	do	Jal, N. M.
Bert Aston	Franklin Pet.	Roswell, N. M.
C. A. Scheurich	do	Clovis, N. M.
A. M. McCorkle	Lea Co. Oper. Com.	Ft. Worth, Texas
D. W. Bodie	Cities Service Oil Co.	Hobbs, N. M.
Edgar Kraus	Atlantic Refining Co.	Dallas, Texas
J. O. Seth	Lea Co. Oper. Com.	Santa Fe, N. M.
Guy Shepard	State Treasurer	Santa Fe, N. M.
Roy Yarbrough	State Oil & Gas	Hobbs, N. M.

Wilton B. Scott	Cities Service Oil Co.	Hobbs, N. M.
Fred M. Clement	Continental Oil Co.	Hobbs, N. M.
Isa R. Manning	State Land Office	
P. D. Grommon, Jr.	The Texas Co.	Midland, Texas
L. C. Thomas	The Texas Co.	Midland, Texas
John H. Miles		Santa Fe, N. M.
H. A. Kiker, Atty.	Southern Union Prod. Co.	Santa Fe, N. M.
Van Thompson	do	Dallas, Texas
H. C. Parrish, Jr.	do	Santa Fe, N. M.
C. C. Campbell	Texas Pacific Coal & Oil	Midland, Texas
O. F. Hedrick	do	Midland, Texas
Niven Baird	Ameridan Republics Corp.	Artesia, N. M.
R. V. Pitting, Jr.	Shell Oil Co.	Midland, Texas
J. D. Hudgins	State Tax Com.	Santa Fe, N. M.
R. S. Dewey	Humble Oil & Refg. Co.	Midland, Texas
Ed Downing	Magnolia	Kermit, Texas
J. H. Moore	Shell Oil Co.	Hobbs, N. M.
P. E. Heath	Sun Oil Co.	Dallas, Texas
Frank Patten	P.A.W.	Washington, D. C.
John J. O'Malley		
M. Albertson	Shell Oil Co., Inc.	Houston, Texas
Foster Merrill	U.S.G.S.	Roswell, N. M.
Ernest A. Hanson	do	Roswell, N. M.
W. E. Hubbard	Humble Oil Co.	Houston, Texas
H. J. Kemler	Shell Oil Co.	Midland, Texas
A. E. Willig	The Texas Co.	Ft. Worth, Texas
E. C. Dahlgren	Interstate Oil Compact Com.	Oklahoma City, Okla.
S. P. Hannifin	Magnolia	Roswell, N. M.
D. A. Powell	Drilling & Exploration Co.	Hobbs, N. M.
Bond D. Jones	Geologist	Amarillo, Texas
G. H. Card	Stanolind O. & G. Co.	Ft. Worth, Texas
C. V. Milligan	Amerada Petroleum Corp.	Tulsa, Okla.

The meeting was called to order by the Chairman, and upon request of the Secretary, the Chief Clerk read the call of the meeting, as follows:

"NOTICE FOR PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The Oil Conservation Commission, by law invested with jurisdiction as the oil and gas regulatory body of the State of New Mexico, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico:

Case No. 41

In the matter of the application of Aston & Fair, C. A. Scheurich, and Carl A. Hatch for an exception to Order No. 339, the Ioco Hills Pressure Maintenance Order, in order that the owners of Scheurich State Well No. 4 upon the NEMW 32-178-30E, used as a gas input well, shall be permitted to take the lost allowable for such input well; by dividing such lost allowable among Aston & Fair - Scheurich State Well No. 3, NEMW 32-178-30E, upon the same lease, and the following wells not upon the same lease; R. W. Fair - Kinfolks Trust State Well No. 3, SEMW 32-178-30E, and Aston & Fair State Well 65, SEMW 32-178-30E. This case is set for 10 o'clock A.M., April 27, 1943.

Any person having any interest in the subject of said hearing shall be entitled to be heard.

The foregoing Notice of Publication was made pursuant to the direction of the Commission at its Executive Meeting March 29, 1943.

Given under the seal of said Commission at Santa Fe, New Mexico, on April 9, 1943.

OIL CONSERVATION COMMISSION

BY (Sgd) John M. Kelly
Secretary."

BY MR. LIVINGSTON: The Commission is now ready to proceed.

BERT ASTON,

being first duly sworn, to tell the truth, the whole truth, and nothing but the truth, testified as follows:

Governor, Members of the Committee, Gentlemen: It so happens that in the organization of the Loco Hills Pressure Maintenance program there were certain factors that probably were not handled as they should have been at the start, which is only natural in a cooperative of that type, and the outstanding injustices has to do with input wells. The wells used for input of gas should be, in some manner, compensated for the loss of the oil they would otherwise produce. The lease on the N $\frac{1}{2}$ SW $\frac{1}{4}$ of 32-17S-30E was, in my opinion, the most flagrant case of injustice, and therefore we have proposed to the Commission that an equitable order be promulgated to cover that, in the hope that perhaps that might be a little in the right direction in other parts of the field, which might be suffering from the same injustices, and in order that equity might be more nearly done. I would suggest that the 160-acre base lease, which is a State lease covering the S $\frac{1}{2}$ NW $\frac{1}{4}$ of 32-17S-30E and the N $\frac{1}{2}$ SW $\frac{1}{4}$, being one basic State lease, be considered as a unit of 160 acres, and that the oil lost by virtue of using this well as an input well be distributed to other wells on that 160 acres, in such manner that no well would make up more than double its allowable. In other words, without the observation of the Commission and their knowledge, no well,-- the Commission would direct that these wells in

some equitable manner to make up the allowable, rather than one well, which has been the policy up until the temporary order was written, in express cooperation.

The organization is in favor of some such arrangement. From the production standpoint, we all know that when one well pulls double the capacity, the whole object of the pressure maintenance is defeated, because the object of pressure maintenance is equal pressure throughout the field, and if one bore hole pulls more than the other wells, the wells around would be hurt by unequalized pressure in that area.

BY MR. KELLY: Did the temporary order of this Commission, issued in January, help the situation?

A It seems to me it has. The immediate area under consideration seems to be one of the most effective pressure areas in the field.

BY THE GOVERNOR: And you are asking us to make permanent the temporary arrangement?

A To make permanent the temporary order, with the possibility that it might have to be equalized within the 160 acres at any time.

BY MR. RODGERS: The entire 160 acres is one lease?

A One basic lease, yes sir.

BY MR. KELLY: Any questions anyone wishes to ask the witness?

I move the commission take the matter under advisement.

Witness excused.

C E R T I F I C A T E

I hereby certify that the foregoing and attached three and a half pages of typewritten matter are a true, correct and complete transcript of the shorthand notes taken by me in Case No. 41, on the 27th day of April, 1943, and by me extended into typewriting.

Witness my hand this 6th day of May, 1943.

Esther Barton

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 41

ORDER NO. 540

THE APPLICATION OF ASTON & FAIR,
C. A. SCHEURICH, AND CARL A. HATCH
FOR AN EXCEPTION TO ORDER NO. 339, THE
LOCO HILLS PRESSURE MAINTENANCE ORDER,
IN ORDER THAT THE OWNERS OF SCHEURICH
STATE WELL NO. 4 UPON THE NWSW 32-17S-30E,
USED AS A GAS INPUT WELL, SHALL BE PERMITTED
TO TAKE THE LOST ALLOWABLE FOR SUCH INPUT WELL:
BY DIVIDING SUCH LOST ALLOWABLE AMONG ASTON &
FAIR - SCHEURICH STATE WELL NO. 3, NWSW 32-17S-
30E, UPON THE SAME LEASE, AND THE FOLLOWING WELLS
NOT UPON THE SAME LEASE: R. W. FAIR - KINFOLKS
TRUST STATE WELL NO. 3, SWNW 32-17S-30E, AND
ASTON & FAIR STATE WELL 6B, SEW 32-17S-30E.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at Santa Fe, New Mexico, on April
27, 1943, before the Oil Conservation Commission of New Mexico, herein-
after referred to as the "Commission".

NOW, on this 22nd day of June, 1943, the Commission having before
it for consideration the testimony adduced at the hearing of said case and
being fully advised in the premises, the Commission finds:

F I N D I N G S

1. That the petitioners, Aston & Fair, C. A. Scheurich, and
Honorable Carl A. Hatch, with others, are the owners of certain oil
producing wells in the Loco Hills Field, Eddy County, New Mexico, to-wit:

Aston & Fair - Scheurich-State Well No. 3, NWSW 32-17S-30E
Aston & Fair - Scheurich-State Well No. 4, NWSW 32-17S-30E

That said Scheurich-State Well No. 4 is a gas input well within
the Loco Hills Pressure Maintenance Project.

2. That R. W. Fair - Kinfolks Trust-State Well No. 3, SWNW 32-17S-
30E and Aston & Fair-State Well No. 6B - SEW 32-17S-30E are owned by
R. W. Fair, Aston & Fair and their associates.

3. That under Order No. 339, the Loco Hills Pressure Maintenance
Order of this Commission, it is permissible to take the allowable for
Scheurich Well No. 4, used as an input well, from Scheurich Well No. 3,
which are both located upon the same lease, and that is now being done.

4. That all four wells involved herein are upon separate forty-
acre tracts or proration units, all in one basic ownership, that of the
Common Schools of the State of New Mexico.

5. That the owners, Kinfolks Trust State Well No. 3, Aston & Fair-State Well 6B, are agreeable to dividing the allowable for the gas input well, Scheurich-State Well No. 4, among the following:

Scheurich-State Well No. 3
R. W. Fair - Kinfolks Trust-State No. 3
Aston & Fair Well 6B

6. That to permit the division of the allowable for said input well to be made as petitioned for will work no hardship upon the royalty owner, but will more equitably adjust the allowable among the wells herein described than is now distributed in that all such allowable is now required to be taken from Scheurich-State Well No. 3.

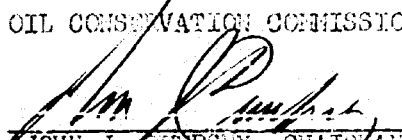
IT IS THEREFORE ORDERED BY THE COMMISSION:

That the allowable lost by said Scheurich State Well No. 4 by reason of its use as a gas in-input well shall be permitted to be divided among said Scheurich-State Well No. 3, R. W. Fair - Kinfolks Trust-State Well No. 3 and Aston & Fair Well 6B, more particularly described by proration units in the findings hereinabove, in such proportions as will not cause injury to the wells and as long as agreeable to the respective well owners. No well, however, shall be allowed to produce over twice the top or unit allowable.

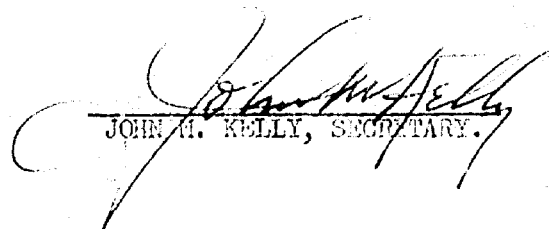
That this order shall become effective on the first day of the proration month next succeeding the month in which said Order is adopted.

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

OIL CONSERVATION COMMISSION


JOHN J. DEMPSEY, CHAIRMAN

H. R. RODGERS, MEMBER


JOHN H. KELLY, SECRETARY.

SEAL

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

F. B. Rigdon, being first duly sworn,
on oath says:

That he is publisher of the Daily Current-Argus, a newspaper published daily at the city of Carlsbad, in said county of Eddy, State of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of this state wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in a supplement thereof on the dates as follows, to-wit:

.....April 12....., 1943.
....., 19.....
....., 19.....
....., 19.....

that the cost of publication is \$.....3.84,
and that payment therefor has been made
and will be assessed as court costs.

F. B. Rigdon

Subscribed and sworn to before me this
26th day of April, 1943.

John M. Kelly
Notary Public.

My commission expires 5-4-46

(April 1943)

NOTICE FOR PUBLICATION STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

The Oil Conservation Commission, by law invested with jurisdiction as the oil and gas regulatory body of the State of New Mexico, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico:

CASE NO. 41

In the matter of the application of Aston & Fair, C. A. Scheurich, and Carl A. Hatch for an exception to Order No. 339, the Loco Hills Pressure Maintenance Order, in order that the owners of Scheurich State Well No. 4 upon the NE1/4 32-17S-30E, used as a gas input well, shall be permitted to take the lost allowable for such input well: by dividing such lost allowable among Aston & Fair—Scheurich State Well No. 3, NWSW 32-17S-30E, upon the same lease, and the following wells not upon the same lease: R. W. Fair—Kinfolks Trust State Well No. 3, SWNW 32-17S-30E, and Aston & Fair State Well 6B, SENW 32-17S-30E. This case is set for 10 o'clock A. M., April 27, 1943.

Any person having any interest in the subject of said hearing shall be entitled to be heard.

The foregoing Notice of Publication was made pursuant to the direction of the Commission at its Executive Meeting March 29, 1943.

Given under the seal of said Commission at Santa Fe, New Mexico, on April 9, 1943.

OIL CONSERVATION COMMISSION.
(SEAL)

By JOHN M. KELLY,
Secretary.

NOTICE FOR PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION
COMMISSION

The Oil Conservation Commission, by law invested with jurisdiction as the oil and gas regulatory body of the State of New Mexico, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico:

CASE NO. 41

In the matter of the application of Aston & Fair, C. A. Scheurich, and Carl A. Hatch for an exception to Order No. 339, the Loco Hills Pressure Maintenance Order, in order that the owners of Scheurich State Well No. 4 upon the NESW 32-17S-30E, used as a gas input well, shall be permitted to take the lost allowable for such input well; by dividing such lost allowable among Aston & Fair-Scheurich State Well No. 3, NWSW 32-17S-30E, upon the same lease, and the following wells not upon the same lease, R. W. Fair-Kin-folks Trust State Well No. 3, SWNW 32-17S-30E, and Aston & Fair State Well 6B, SENW 32-17S-30E. This case is set for 10 o'clock A. M., April 27, 1943.

Any person having any interest in the subject of said hearing shall be entitled to be heard.

The foregoing Notice of Publication was made pursuant to the direction of the Commission at its Executive Meeting March 29, 1943. Given under the seal of said Commission at Santa Fe, New Mexico, on April 9, 1943.

OIL CONSERVATION
COMMISSION
By (Sgd) JOHN M. KELLY
(Seal) Secretary.
Published April 12, 1943.

R'S BILL

one time at \$3.28
times, \$
Tax \$
Total \$ 3.28

Received payment,

By.....

Affidavit of Publication

State of New Mexico, } ss.
County of Santa Fe

I, A. N. Morgan, being first duly sworn, declare and say that I am the (Business Manager) (Editor) of the Santa Fe New Mexican, a daily newspaper, published in the English Language, and having a general circulation in the City and County of Santa Fe, State of New Mexico, and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937; that the publication, a copy which is hereto attached, was published in said paper once each week for one time ~~consecutive weeks and on the same day of each week~~ in the regular issue of the paper during the time of publication, and that the notice was published in the newspaper proper, and not in any supplement, ~~once each week~~ for one time ~~consecutive weeks and on the same day of each week~~ publication being on the 12th day of April, 1943, and ~~on the same day of each week~~ ~~consecutive weeks and on the same day of each week~~; that payment for said advertisement has been (duly made), or (assessed as court costs); that the undersigned has personal knowledge of the matters and things set forth in this affidavit.

A. N. Morgan
Editor

Subscribed and sworn to before me, this 13th day of April, A.D., 1943.
Anna K. Ormsbee
Notary Public.

My Commission expires
June 11, 1945

IL CONSERVATION COMMISSIC
SANTA FE, NEW MEXICO

April 8, 1943

The Santa Fe New Mexican
Santa Fe, New Mexico

Current-Argus
Carlsbad, New Mexico

Re: Case No. 41 - Notice for Publication

Gentlemen:

Please publish the enclosed notice once, immediately.
Please proof read the notice carefully and send a copy of the
paper carrying such notice.

UPON COMPLETION OF THE PUBLICATION, PLEASE SEND
PUBLISHER'S AFFIDAVIT.

For payment please submit statement in duplicate
accompanied by voucher executed in duplicate. The vouchers
must be signed by a notary in the space provided on the back
of the voucher. The necessary voucher blanks are enclosed.

Very truly yours,
John W. Kelly
Director

By

Chief Clerk & Legal Advisor

CHL:MS

NOTICE FOR PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The Oil Conservation Commission, by law invested with jurisdiction as the oil and gas regulatory body of the State of New Mexico, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico:

Case No. 41

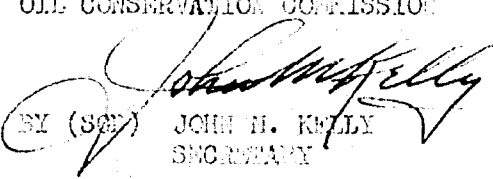
In the matter of the application of Aston & Fair, C. A. Scheurich, and Carl A. Hatch for an exception to Order No. 339, the Loco Hills Pressure Maintenance Order, in order that the owners of Scheurich State Well No. 4 upon the MESW 32-17S-30E, used as a gas input well, shall be permitted to take the lost allowable for such input well: by dividing such lost allowable among Aston & Fair - Scheurich State Well No. 3, MESW 32-17S-30E, upon the same lease, and the following wells not upon the same lease: R. W. Fair - Kinfolks Trust State Well No. 3, SEMW 32-17S-30E, and Aston & Fair State Well 6B, SEMW 32-17S-30E. This case is set for 10 o'clock A.M., April 27, 1943.

Any person having any interest in the subject of said hearing shall be entitled to be heard.

The foregoing Notice of Publication was made pursuant to the direction of the Commission at its Executive Meeting March 29, 1943.

Given under the seal of said Commission at Santa Fe, New Mexico, on April 9, 1943.

OIL CONSERVATION COMMISSION


BY (SEE) JOHN H. KELLY
SECRETARY

IN THE MATTER OF LOCO HILLS PRESSURE MAINTENANCE PROJECT - ORDER NO. 339.

Re: Aston & Fair - Scheurich State No. 3, NWSW 32-17S-30E
Aston & Fair - Scheurich State No. 4, NESW 32-17S-30E-input well
R. W. Fair - Kinfolks Trust State No. 3, SWNW 32-17S-30E
Aston & Fair State 6B - SENW 32-17S-30E.

TO THE HONORABLE NEW MEXICO OIL CONSERVATION COMMISSION:

PETITION

Come now Aston & Fair, C. A. Scheurich, and Carl A. Hatch and respectfully petition and submit to your Honorable Commission as follows:

That your petitioners, with others, are the owners of certain oil producing wells in Eddy County, New Mexico, to-wit:

Aston & Fair - Scheurich State No. 3, NWSW 32-17S-30E
Aston & Fair - Scheurich State No. 4, NESW 32-17S-30E

That said Scheurich State No. 4 is an input well under Loco Hills Pressure Maintenance Project.

That R. W. Fair - Kinfolks Trust State No. 3, SWNW 32-17S-30E and Aston & Fair State 6B - SENW 32-17S-30E are owned by said R. W. Fair, Aston & Fair and their associates.

That under the orders of this Commission heretofore made, it is permissible to take the allowable for Scheurich No. 4, used as an input well, from Scheurich No. 3, which are both located upon the same lease, and that is now being done.

Your petitioners state however, that all four wells involved herein are upon forty-acre tracts, all in one basic ownership, that of the Common Schools of the State of New Mexico.

That the owners, Kinfolks Trust State No. 3, Aston & Fair State 6B, are agreeable to dividing the allowable for the input well on Scheurich State No. 4 among Scheurich State No. 3 and R. W. Fair - Kinfolks Trust State No. 3 and Aston & Fair 6B, and the petitioners all request this Honorable Commission to make the proper order to permit such division to be made; that a plat showing the location of all of said wells is attached hereto and made a part of this petition.

Your petitioners further show that to permit the division of the allowable for the input well to be made as herein requested will work no hardship upon the royalty owner, but will more equitably adjust the allowable among the wells herein described than is now distributed in that all such allowable is now required to be taken from Scheurich State No. 3.

WHEREFORE, these matters considered, your petitioners pray that the Commission fix and set a date for public hearings, to be held on this petition as required by the laws of the State of New Mexico, and that upon such hearings, the proper orders permitting the division of the allowable as herein indicated be made and entered, and that the Commission make all further orders necessary or proper in the premises.

Aston & Fair
Edw. Scheurich
Carl A. Patch

UNITED STATES OF AMERICA, :
: ss:
DISTRICT OF COLUMBIA, :

Carl A. Hatch, of lawful age, being first duly sworn,
upon his oath says that he is one of the petitioners named in the
foregoing application; that he has read and understands the matters
and facts therein set forth and that all statements in said petition
are true and correct as he verily believes.

Carl A. Hatch

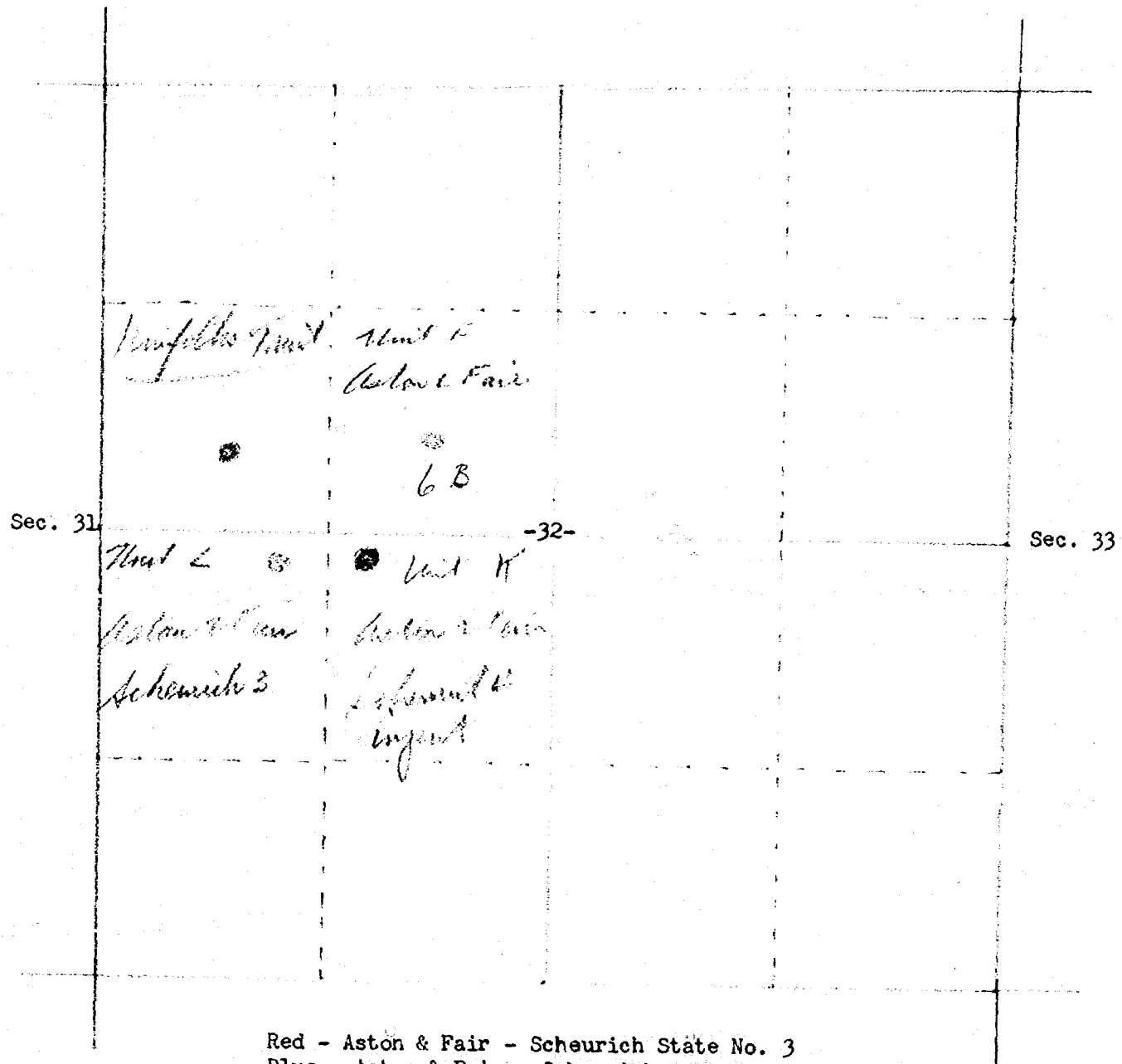
Subscribed and sworn to before me this 25th day
of May, 1942.

Chas. E. Alden
Notary Public within and
for the District of Columbia.

My commission expires:

Sept. 1-1942

Section 32, Township 17 South, Range 30 East - EDDY COUNTY



Red - Aston & Fair - Scheurich State No. 3
 Blue - Aston & Fair - Scheurich State No. 4
 Black - R. W. Fair - Kinfolks Trust State No. 3
 Green-Aston & Fair State 6B