

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 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 6B, SENW 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, hereinafter 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, NESW 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 - SENW 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.

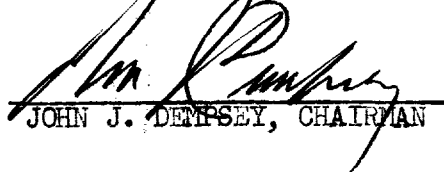
IT IS THEREFORE ORDERED BY THE COMMISSION:

That the allowable lost by said Scheurich State Well No. 4 by reason of its use as a gas in-put 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.

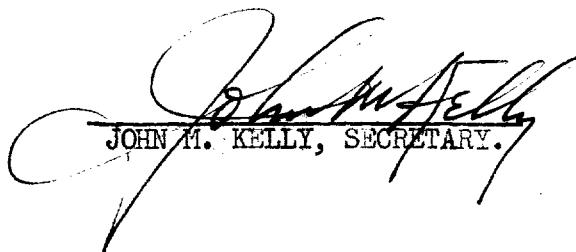
That this order shall become effective on the first day of the proration month next succeeding the month in which said Order is adopted.

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 M. KELLY, SECRETARY.

SEAL