

Case No.

50

Application, Transcript,
Small Exhibits, Etc.

Case 50

July 31, 1944

49-CR-82 - H. L. Williams - U. S. A.

Mr. Palmer C. Byrne
Prescott, Arizona

Dear Mr. Byrne:

As administrator of the estate of H. L. Williams, deceased, we hand you herewith copy of an order of the Oil Conservation Commission of the State of New Mexico concerning two wells built by H.L. Williams in McKinley County, New Mexico, said order finding that said wells are dry and abandoned and ordering that the wells be plugged in accordance with the laws, rules and regulations of the Commission.

Demand is hereby made upon you to forthwith proceed with the carrying out of this order, failing in which this Company as surety for H. L. Williams, upon the bond referred to in said order, will proceed as it sees fit for the carrying out of these requirements.

In the event you have not placed in our hands on or before August 15, 1944, a plan for doing this work, we shall assume that you do not intend to comply with the order on behalf of H. L. Williams and shall, therefore, be governed accordingly.

Very truly yours,

RCN:PC

SUPERINTENDENT

Copies --

✓ Oil Conservation Commission, Santa Fe, N.M.

~~George Bruington, Attorney, Aztec, N.M.~~

~~J.O. Seth, Attorney, Santa Fe, N.M.~~

~~Home Office Surety Claim Dept. - Henry C. Hines, Supt.~~

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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. 50

ORDER NO. 569

THE APPLICATION OF AL GREER, AZTEC, NEW MEXICO,
FOR AN ORDER DETERMINING AS ABANDONED THE
FOLLOWING WELLS: H. L. WILLIAMS-SANTA FE PACIFIC
RAILROAD COMPANY WELL NO. 3, SWSW 29-18N-8", AND
H. L. WILLIAMS-SANTA FE PACIFIC RAILROAD COMPANY
WELL NO. 4, NESW 19-18N-8W, MCKINLEY COUNTY, NEW
MEXICO; AND FURTHER FOR AN ORDER TO PLUG SAID WELLS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at ten o'clock A.M., March 24,
1944, at Santa Fe, New Mexico, before the Oil Conservation Commission
of the State of New Mexico, hereinafter referred to as the "Commission".

NOW, on the 26th day of July, 1944, the Commission having before
it for consideration the testimony adduced at the hearing of said case
and being fully advised of the premises, the Commission finds:

F I N D I N G S

1. That H. L. Williams-Santa Fe Pacific Railroad Company
Well No. 3, SWSW 29-18N-8W, and H. L. Williams-Santa Fe Pacific
Railroad Company Well No. 4, NESW 19-18N-8W, McKinley County,
New Mexico, are dry and abandoned and should be plugged in accordance
with the laws, rules and regulations of the Commission, and the
requirements of the State Geologist.

2. That United States Fidelity and Guaranty Company is the
surety with the principal, H. L. Williams, upon the bond assuring
plugging of said wells when dry or abandoned and that said principal
has failed and refused to plug said wells.

IT IS THEREFORE ORDERED:

A. That United States Fidelity and Guaranty Company shall plug
said wells in accordance with the laws, rules and regulations of the
Commission, its administrative requirements in connection with such
plugging and the requirements of the State Geologist.

B. The Order herein shall be effective on the date of its
execution.

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

OIL CONSERVATION COMMISSION

JOHN J. DEMPSEY, CHAIRMAN

H. R. RODGERS, MEMBER

CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

July 27, 1944

Mr. Al Greer
Box 337
Astec, New Mexico

Re: Case No. 50

Dear Mr. Greer:

The Commission is very happy to inform you that it has now promulgated an order in the above captioned case, a copy of which is herewith enclosed.

An original and a copy have today been delivered to J. O. Seth, Esquire, attorney for the corporate surety.

With kindest personal regards.

Very truly yours,

John H. Kelly
Director

By

Chief Clerk & Legal Adviser

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After July 16/1888

Mr. Livingston

Re: Case 50-H.R. Williams
wells.

Was unable to get very
far with Mr. Nelson the
other day because he will
not proceed until the Commission
enters the order requiring the
Company to plug the well—

Boonville

J. O. SETH
A. K. MONTGOMERY
OLIVER SETH

SETH AND MONTGOMERY
ATTORNEYS AND COUNSELORS AT LAW
111 SAN FRANCISCO ST.
SANTA FE, NEW MEXICO

May 9, 1944

Mr. John M. Kelly
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Kelly:

I enclose copy of a letter I have written
Mr. Nelson, of the United States Fidelity and
Guaranty Company, concerning the Williams wells.

This is sent you for your information, and
to show we are at least trying to work out the
matter.

Very truly yours,



JOS:CB
Enc.-1

SETH AND MONTGOMERY
ATTORNEYS AND COUNSELLORS AT LAW
SANTA FE, NEW MEXICO

May 9, 1944

Mr. Robert C. Nelson
Superintendent of Claims
U. S. Fidelity and Guaranty Company
University Building
Denver, Colorado

Re: 49-CR-82 - H. L. Williams - U. S. A.

Dear Mr. Nelson:

Referring to your letter of April 25th in the above designation:

The Federal declaratory judgment statute does not, in my opinion, change the existing law with respect to venue of suits in the Federal Courts, and the matter of service of process. The other claimants of title to the casing in the Williams wells, as I understand it, live outside New Mexico. The Federal statute providing for substituted service, that is, by making service outside the State or by publication (U.S.C. Title 28, Section 118), is limited to cases of the enforcement of "any legal or equitable lien upon or claim to" real or personal property within the District in which the suit is brought.

I can not see that the Company has any legal or equitable lien upon or claim to this casing that would support substituted service under the Section above referred to. In addition, Federal jurisdiction would be based on diversity of citizenship, and in the case of Williams, who is dead, we would doubtless have to join his unknown heirs. The rule is well settled that where jurisdiction is based on diversity of citizenship, an attempt to join unknown parties defeats the jurisdiction, since some of these parties might be citizens of the same State as plaintiff, and the rule is, of course, that the jurisdiction of the Federal Court must affirmatively appear.

We have given a great deal of thought to some method of working out this matter. Williams' two wells are located on the Southwest quarter of the Southwest Quarter of Section 29, and the Northeast quarter of the Southwest

SETH AND MONTGOMERY
ATTORNEYS AND COUNSELLORS AT LAW
SANTA FE, NEW MEXICO

Mr. Robert C. Nelson

-2-

May 9, 1944

quarter of Section 19, Township 18 North, Range 8 West. The wells were drilled under a lease Williams obtained from the Santa Fe, as the lands are railroad lands. The lease, according to the copy introduced in evidence in one of the hearings before the Oil Conservation Commission, authorized the lessee, Williams, "to remove therefrom all property, improvements, etc. except such as may become the property of the lessor under this lease by purchase or otherwise."

It seems to be a fairly well settled rule of law that the casing in an oil well may be removed by the lessee at any time before the expiration of the lease or within a reasonable time thereafter, and if not so removed, the casing becomes the property of the lessor. This seems also to be the rule where the lease expressly provides for the removal of casing by the lessee. See 40 C. J. 1151; 24 Am. Jur. 577-578; Summers Oil and Gas, Section 525; Wilson vs. Wilson, Ky., 133 S. W. (2d) 722; Myers vs. Frick-Reid (Tex. Civ.) 127 S.W. (2d) 493. We have no decision directly on this point in New Mexico, except one holding that the casing is, in effect, a trade fixture, but no question of the removal by the lessee was involved.

It seems that, in all probability, this casing really belongs to the Santa Fe Railway Company, and my suggestion is that we contact the Santa Fe and endeavor to procure something from them in the nature of a quit claim, and then proceed to plug the well and dispose of the casing.

Mr. Hemingway, in charge of the Santa Fe lands, has his office in Albuquerque. I have found him to be a very reasonable and accommodating individual, and possibly something could be worked out, as the new lessees, I understand, are quite anxious to have these wells plugged.

Of course, I do not know whether this has ever been attempted, but if you think it advisable, we would be glad to contact Hemingway and see what could be done.

Very truly yours,

JOS:CB

cc - Mr. John M. Kelly
Oil Conservation Commission
Santa Fe, New Mexico

Exhibit #1

Case 50

STATE OF NEW MEXICO,)
 : ss
COUNTY OF BERNALILLO.)

I, E. O. HEMENWAY, Land Commissioner for the Santa Fe Pacific Railroad Company, do hereby state that as such Land Commissioner I have charge of the records of said Santa Fe Pacific Railroad Company and am familiar with the transactions of said Company, as shown by said records and as personally known to me, in connection with a certain Oil and Gas lease No. 7231, dated September 19, 1936, to H. L. Williams, which lease included, among other lands, sections 19 and 29, township 18 north, range 8 west, McKinley County, New Mexico; that said lease was for a period of five years and as long thereafter as oil and gas is produced in commercial quantities.

That this affidavit is made by me at the request of the New Mexico Oil Conservation Commission in connection with hearing at Santa Fe, New Mexico, on the 24th day of March, 1944, on application for abandonment and plugging of certain wells drilled on said sections.

That the records of the Santa Fe Pacific Railroad Company show that no oil or gas was produced during the five-year period of this lease and that no rentals were paid the Santa Fe Pacific Railroad Company beyond the expiration date of September 19, 1941, and that as of the date of September 19, 1941 this lease became ineffective.

E. O. Hemenway

SUBSCRIBED AND SWORN to before me this 23d day of March,
1944.

Mildred I. Harena
Notary Public.

My commission expires
April 1, 1946

NOTICE FOR PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

In the matter of the application of Al Greer, Aztec, New Mexico, for an order determining: as abandoned the following wells: H. L. Williams, Santa Fe Pacific Railroad Company Well No. 3, SW34 29-13N-3W, and H. L. Williams, Santa Fe Pacific Railroad Company Well No. 4, NW34 19-13N-3W, McKinley County, New Mexico; and further for an order permitting said applicant to pull the casing from said wells and to plug said wells in accordance with the laws, rules and regulations of the Oil Conservation Commission of the State of New Mexico. The attorney for said applicant is George Brumington, Esquire, Aztec, New Mexico. This case is set for 10 A.M., March 24, 1944.

Pursuant to notice by the Commission, duly made and published, setting March 24, 1944, 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 office of the Governor, Santa Fe, New Mexico, the Commission sitting as follows:

HON. JOHN J. DEMPSEY, GOVERNOR- Chairman
HON. JOHN M. KELLY, State Geologist, Secretary
HON. CARL B. LIVERSTON, Chief Clerk and Legal Adviser.

APPEARANCES:

NAME	COMPANY	ADDRESS
Mr. L. E. Teague		
Mr. Al Greer	Self	Aztec, New Mexico
Mr. LeRoy Manual	United States Fidelity & Guaranty Co.	Santa Fe, N. M.
Mr. A. K. Montgomery (Attorney)	United States Fidelity & Guaranty Co.	Santa Fe, N. M.
Mr. Leo R. Manning	State Land Office	Santa Fe, New Mexico

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. 50.

In the matter of the application of Al Greer, Aztec, New Mexico, for an order determining: as abandoned the following wells: H. L. Williams, Santa Fe Pacific Railroad Company Well No. 3, SW34 29-13N-3W, and H. L. Williams, Santa Fe Pacific Railroad Company Well No. 4, NW34 19-13N-3W, McKinley County, New Mexico; and further for an order permitting said applicant to pull the casing from said wells and to plug said wells in accordance with the laws, rules and regulations of the Oil Conservation Commission of the State of New Mexico. The attorney for said applicant is George Brumington, Esquire, Aztec, New Mexico. This case is set for 10 A.M., March 24, 1944.

Any person having an 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 February 23, 1944.
Given under the seal of said Commission at Santa Fe, New Mexico on February 29, 1944.

OIL CONSERVATION COMMISSION

(Sgd) JOHN M. KELLY

BY: JOHN M. KELLY
SECRETARY

3 T A I "

MR. JOHN M. KELLY: Who is the head Applicant?

MR. A. K. MONTGOMERY: I am the Attorney for the Bonding Company of the Williams original Drilling Company.

BY GOVERNOR DEMPSEY: Agreeable to you?

MR. MONTGOMERY: No objection on the part of the Bonding Company.

MR. LEROY MANUEL

BEING FIRST DULY SWORN TO TELL THE TRUTH, THE WHOLE TRUTH, AND NOTHING BUT THE TRUTH, WAS ASKED TO TESTIFY.

MR. KELLY: Mr. Manuel you wrote the bond for Mr. Williams?

MR. MANUEL: I wrote the bond for Mr. Williams, August 1, 1930, and he paid the premium on October 30, has paid no premium since that time.

GOVERNOR DEMPSEY: Since 1930?

MR. MANUEL: Yes sir.

MR. KELLY: It was the kind of bond that calls for an annual premium?

MR. MANUEL: Yes sir.

MR. KELLY: Was there any default subsequent to that date?

MR. MANUEL: Yes sir.

BY MR. CARL LUNDSTROM: Mr. C. L. Lundstrom of the Santa Fe Pacific Railroad Company was unable to be here to testify as to the status of the H. L. Williams lease, has submitted an affidavit regarding the status. The leases are now ineffective, and I would like to introduce this affidavit as Exhibit No. 1.

MR. H. GIBBS

Being first duly sworn to tell the truth, the whole truth and nothing but the truth was asked to testify:

Mr. Kelly: Please state your name and address.

Mr. Al Greer: Al Greer
Oil Well Drilling business
Asteo, New Mexico

Mr. Kelly: You were employed by this Commission years ago as oil and gas inspector?

Mr. Greer: Quite a number of years.

Mr. Kelly: You are quite familiar with the wells?

Mr. Greer: Yes sir.

Mr. Kelly: Especially familiar with the Williams wells?

Mr. Greer: Yes sir.

Mr. Kelly: When did you last visit the Williams wells?

Mr. Greer: Yesterday.

Mr. Kelly: What is the condition of the wells?

Mr. Greer: One of them, section 19, there was joint of pipe 12 $\frac{1}{2}$ ' setting on the well - no buildings, nothing there other than the pipe.

Mr. Kelly: You would say that well had been abandoned for quite some time?

Mr. Greer: Yes.

Mr. Kelly: The other well?

Mr. Greer: The other well was in the same condition, 6' of pipe sticking off the ground.

Mr. Kelly: No work done for some time?

Mr. Greer: For several years.

Mr. Kelly: You are also the petitioner in this case - what interest do you have in the land where the wells are located?

Mr. Greer: A lease from the Santa Fe Railroad Company, south $\frac{1}{2}$ of section 25, 40 acres in section 19.

Mr. Kelly: Leaving the wells in the shape they are in right now, what will it do to your leases?

Mr. Greer: I think if water comes in on the sand, it would damage my leases.

Mr. Kelly: You believe the wells in the present condition are now, or will damage your leases?

Mr. Greer: Yes, will or maybe have already done it.

Governor Leapsay: Under existing conditions, with the bond being in default, who is going to do that?

Mr. Greer: The bonding Company.

Governor Dempsey: So far as I am concerned, this closes the hearing, allow for plugging of the wells, and it should have been done sometime ago.

Mr. Kelly: Should have been, but has not been prohibited.

The hearing is adjourned - The Commission will issue an order directing the wells to be plugged - the Insurance Company will have to make arrangements for the well to be plugged.

C E R T I F I C A T E

I hereby certify that the foregoing and attached three and a fraction pages of typewritten matter constitute a true, correct and complete transcript of the shorthand notes taken by me in Case No. 50, on the 24th day of March, and by me extended into typewriting.

WITNESS my hand this 25th day of March 1944.

Vastie Fowler

The Atchison, Topeka and Santa Fe Railway Company

Santa Fe Pacific Railroad Company

**E. O. HEMENWAY,
LAND COMMISSIONER,
ALBUQUERQUE,
NEW MEXICO**

LAND DEPARTMENT

Albuquerque, March 23, 1944
File 11544

Mr. Carl B. Livingston,
c/o New Mexico Oil Conservation Commission,
P. O. Box 871,
Santa Fe, New Mexico.

Dear Mr. Livingston:

Referring to our telephone conversation this morning in the matter of the hearing before the New Mexico Oil Conservation Commission in the matter of the abandonment of certain wells drilled on Santa Fe Pacific Railroad Company's property on sections 19 and 29, township 18 north, range 8 west, McKinley County, New Mexico.

On account of my inability to attend this hearing tomorrow and in line with your request, I am attaching herewith my affidavit as to the status of the Santa Fe Pacific Railroad Company lease in this matter. I hope that you will find this affidavit in satisfactory form.

With best personal wishes, I am

Very truly yours,

E. O. Hemenway

Hg
Enc.



UNITED STATES FIDELITY AND GUARANTY COMPANY
DENVER OFFICE
NINTH FLOOR, UNIVERSITY BUILDING, DENVER, COLO.

DAVID JACOBS
Manager
ROBERT C. NELSON
Superintendent of Claims

TELEPHONE
KEYSTONE 2351

March 22, 1944

49-CR-82 - H. L. Williams

AIR MAIL

Carl B. Livingston, Chief Clerk
Oil Conservation Commission
Santa Fe, New Mexico

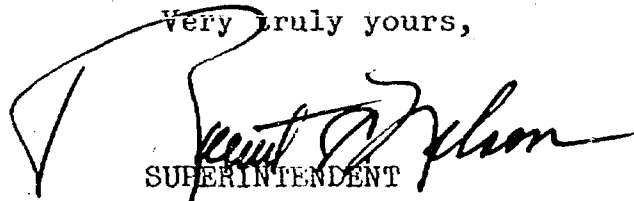
Dear Mr. Livingston:

Since writing you on March 7, 1944, my engagements have opened up somewhat and I am going to try to be in Santa Fe on the 24th. Having no travel priority, I am at the mercy of those who have. No train space is available and gasoline is out of the question, so if I can get on the Continental Line, I will do so.

If for any reason this hearing should be continued, I would be grateful if you would telephone or wire me at our expense as early as you learn of such continuance or any application therefor.

As for the furnishing of a bond by Mr. Greer, it would seem to me that the change I suggested would make little difference to him for the reason that he is going to have to furnish a bond to someone, and whether to us or to the state or to someone else would make little difference.

Very truly yours,


SUPERINTENDENT

RCN:PC

CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

March 18, 1944

AIRMAIL
SPECIAL DELIVERY

Mr. Robert C. Nelson
Superintendent of Claims
U.S. Fidelity & Guaranty Company
Ninth Floor, University Building
Denver, Colorado

Re: Case No. 50 - H. L. Williams wells.

Dear Mr. Nelson:

Mr. Al Greer showed me your letter of March 8th to him. As gathered from the tenor of that letter you have changed your mind considerably. When I last talked with you I thought the bond matter insofar as it affected Mr. Greer was settled. Even if Mr. Greer does not supply a bond the U.S. Fidelity & Guaranty Company is still liable for the plugging of the wells and if the evidence adduced at the hearing on March 24 warrants it, the Commission can make a finding that the two wells in question are dry and abandoned whereupon it will become your company's duty to proceed to plug them.

I am rather surprised at your statement that you do not intend to attend this hearing. Your company is vitally interested and at least you or someone should be on hand.

Very truly yours,

John M. Kelly
Director

CHL:MS
cc Al Greer

By
Chief Clerk & Legal Adviser

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UNITED STATES FIDELITY AND GUARANTY COMPANY
DENVER OFFICE

NINTH FLOOR, UNIVERSITY BUILDING, DENVER, COLO.

DAVID JACOBS
Manager

ROBERT C. NELSON
Superintendent of Claims

TELEPHONE
KEYSTONE 2351

March 8, 1944

49-CR-82 - F. L. Williams - U. S. A.

Mr. Al Greer
Aztec, New Mexico

Dear Mr. Greer:

I have received a copy of the Commission's notice of the hearing on the Santa Fe wells which is set for the 24th of March.

Because it will be impossible for me to be in Santa Fe on that date, I take this occasion to advise you of a slight change in the verbal arrangements which we had tentatively understood at our last conversations.

This slight change has to do with the matter of making such bond as the state will require in the event you are, under their orders, permitted to plug the wells. Our further consideration of the problem indicates that for us to assume responsibility under our bond for Williams for your plugging of the wells, would be to put us in a rather inconsistent position, especially if any complications arose through any acts by Williams or his representatives. It would, therefore, be wise for you to arrange to post with the state such bond as they will require with your own surety other than our Company to cover the plugging operations if and when they are undertaken.

This will eliminate the necessity of your giving us a bond back as we discussed and the net cost to you under the plan of your providing your own surety would be only slightly more than if we proceeded in the other direction.

Hoping that this entire matter works out to your satisfaction, we remain,

Very truly yours,

CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

March 10, 1944

The Santa Fe New Mexican
Santa Fe, New Mexico

The Gallup Independent
Gallup, New Mexico

Re: Case No. 50 - H. L. Williams wells.

Gentlemen:

Mr. Robert C. Nelson, Superintendent of Claims, U. S. Fidelity and Guaranty Company, Ninth Floor, University Building, Denver, Colo., requests three copies of the legal notices published respectively: in the Santa Fe New Mexican on the 2nd of March; in the Gallup Independent on the 1st of March. Whatever charge there is for this I am sure Mr. Nelson would be happy to remit.

Very truly yours,

John H. Kelly
Director.

By

Chief Clerk & Legal Advisor

CEL:ES
cc Robert C. Nelson

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UNITED STATES FIDELITY AND GUARANTY COMPANY
DENVER OFFICE
NINTH FLOOR, UNIVERSITY BUILDING, DENVER, COLO.

DAVID JACOBS
Manager

ROBERT C. NELSON
Superintendent of Claims

TELEPHONE
KEYSTONE 2351

March 7, 1944

49-CR-82 - H. L. Williams - U. S. A.

Carl B. Livingston, Chief Clerk
Oil Conservation Commission
Santa Fe, New Mexico

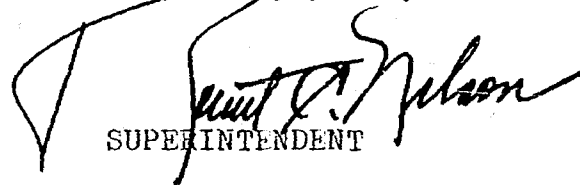
Dear Mr. Livingston:

We thank you for sending us copy of your letter to Mr. Greer and copy of the notice for publication of the hearing on these wells.

I should like very much to attend this hearing, but find it impossible to be in Santa Fe on March 24th. If anyone else asks for a continuance, it would be more than satisfactory with me. However, I would not want to ask for it on my own account for my presence there is not absolutely essential.

We like to keep an original record in matters of this sort, and am wondering if you would be kind enough to call the newspaper which publishes this notice and ask them to mail me as early as practicable, three copies of their paper in which the notice appears. I suppose this will be the Santa Fe New Mexican, but on the chance that it might be in some other publication, I would like to impose upon you for that favor instead of writing direct to the paper.

Very truly yours,


SUPERINTENDENT

RCN:PC

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

February 29, 1944

The Santa Fe New Mexican
Santa Fe, New Mexico

The Gallup Independent
Gallup, New Mexico

Re: Case No. 5, 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 M. Kelly
Director

By

Chief Clerk & Legal Advisor

CHL:MS

REPORT OF 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. 50

ORDER NO. 505

THE APPLICATION OF AL CROSBY, AZTEC, NEW MEXICO,
FOR AN ORDER DETERMINING AS AFORESAID THE
FOLLOWING WELLS: H. L. WILLIAMS-SANTA FE PACIFIC
RAILROAD COMPANY WELL NO. 3, SWSW 29-18N-3W, AND
H. L. WILLIAMS-SANTA FE PACIFIC RAILROAD COMPANY
WELL NO. 4, NWSW 19-18N-3W, MCKINLEY COUNTY, NEW
MEXICO; AND FURTHER FOR AN ORDER TO PLUG SAID WELLS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at ten o'clock A.M., March 24, 1944,
at Santa Fe, New Mexico, before the Oil Conservation Commission of the State
of New Mexico, hereinafter referred to as the "Commission".

NOW, on the 26th day of July, 1944, 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:

FINDINGS

1. That H. L. Williams-Santa Fe Pacific Railroad Company Well No. 3,
SWSW 29-18N-3W, and H. L. Williams-Santa Fe Pacific Railroad Company Well No.
4, NWSW 19-18N-3W, McKinley County, New Mexico, are dry and abandoned and
should be plugged in accordance with the laws, rules and regulations of the
Commission, and the requirements of the State Geologist.

2. That United States Fidelity and Guaranty Company is the surety
with the principal, H. L. Williams, upon the bond assuring plugging of said
wells when dry or abandoned and that said principal has failed and refused to
plug said wells.

IT IS THEREFORE ORDERED:

A. That United States Fidelity and Guaranty Company shall plug said
wells in accordance with the laws, rules and regulations of the Commission,
its administrative requirements in connection with such plugging and the re-
quirements of the State Geologist.

B. The Order herein shall be effective on the date of its execution.

Done at Santa Fe, New Mexico, on the day and year hereinafore designated.

OIL CONSERVATION COMMISSION

JOHN T. DARRIN, CHAIRMAN

H. R. Rodger

H. R. RODGER, MEMBER

John W. Kelly

JOHN W. KELLY, MEMBER

PLEASE REGISTER.

Those Attending the Hearing in Case 50, March 24, 1944

NAME

Company

L. E. Toague

Al. Kuer

Re Roy Maxwell

W. K. Montgomery

Leo R. Manning

Self

W. B. F & S. Co.

US F & S Co.

State Land Office

NOTICE OF HEARING
 The undersigned, Secretary of the Oil Conservation Commission of the State of New Mexico, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico:

Case No. 80

In the matter of the application of Al Greer, Astec, New Mexico, for an order determining as abandoned the following wells: H. L. Williams-Santa Fe Pacific Railroad Company Well No. 3, S4SW 29-18N-SW, and H. L. Williams-Santa Fe Pacific Railroad Company Well No. 4, K2SW 18-18N-SW, McKinley County, New Mexico; and further for an order permitting said applicant to pull the casing from said wells and to plug said wells in accordance with the laws, rules and regulations of the Oil Conservation Commission of the State of New Mexico. The attorney for said applicant is George Brington, Esquire, Astec, New Mexico. This case is set for 10 A. M. March 24, 1944.

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 February 28, 1944.

Given under the seal of said Commission at Santa Fe, New Mexico, on February 28, 1944.

BILL

OIL CONSERVATION
 COMMISSION.

By (Sgd) JOHN M. KELLY,
 (Seal) Secretary.
 Pub. Mar. 2, 1944

Time at \$ 3.84

times, \$

Tax \$

Total \$ 3.84

Received payment,

By

Affidavit of Publication

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

I, C. B. Floyd, 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 ~~on the 2nd day of March, 1944~~ 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 ~~on the 2nd day of March, 1944~~ the first publication being on the 2nd day of March, 1944; 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.

[Signature]

Manager

Subscribed and sworn to before me, this 2nd day of March, A.D., 1944

[Signature]

Notary Public.

My Commission expires

June 11, 1945



Affidavit of Publication

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

I, C. B. Floyd, 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 ~~on the 2nd day of March, 1944~~ 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, ~~on the 2nd day of March, 1944~~ for one time ~~on the 2nd day of March, 1944~~ publication being on the 2nd day of March, 1944 ~~on the 2nd day of March, 1944~~ ~~on the 2nd day of March, 1944~~; 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.

PUBLISHER'S BILL

48 lines, one time at \$ 3.84
lines, times, \$
Tax \$
Total \$ 3.84

Received payment,

By _____

[Signature] Manager
Subscribed and sworn to before me, this 2nd
day of March, A.D., 1944
Anna K. Ormsbee
Notary Public.

My Commission expires
June 11, 1945

LEGAL PUBLICATION

The Oil Conservation Commission, which has jurisdiction in 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:

On the matter of the application of H. L. Williams, Artes, New Mexico, for an order determining as mentioned the following wells: H. L. Williams-Santa Fe Pacific Railroad Company Well No. 3, SWSW 28-18N-8W, and H. L. Williams-Santa Fe Pacific Railroad Company Well No. 4, NWSW 19-18N-8W, McKinley County, New Mexico; and further for an order permitting said applicant to pull the casing from said wells and to plug said wells in accordance with the laws, rules and regulations of the Oil Conservation Commission of the State of New Mexico. The attorney for said applicant is George Brington, Esq., Artes, New Mexico. This hearing is set for 10 A. M., March 24, 1944.

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

The foregoing Notice of Publication was made pursuant to the direction of the Commission at its Executive Meeting February 28, 1944.

Given under the seal of said Commission at Santa Fe, New Mexico, on February 29, 1944.

OIL CONSERVATION COMMISSION

BY (SGD) JOHN M. KELLY
SEAL SECRETARY
Publish March 1, 1944.

Affidavit of Publication

STATE OF NEW MEXICO)

)ss.

COUNTY OF MCKINLEY)

A. W. Barnes being duly sworn upon his oath, deposes and says:

That he is Publisher of the Gallup Independent, a newspaper published in and having a general circulation in McKinley County, New Mexico, and in the Town of Gallup, therein: that this affiant makes this affidavit based upon his own personal knowledge of the facts herein sworn to. That the publication, a copy of which is hereto attached was published in said newspaper, in the regular and entire issue of each number of said newspaper during the period and time of publication and said notice was published in the newspaper

proper, and not in a supplement thereof, for 1 ^{day} ~~weeks~~

consecutively, the first publication being on the 1st day of

March, 1944, the second publication being

on the _____ day of _____, 19____

the third publication being on the _____ day of _____

_____, 19____.

and the last publication being on the _____ day of _____

_____, 19____.

That such newspaper, in which such notice or advertisement was published, is now and has been at all times material hereto, duly qualified for such purpose, and to publish legal notices and advertisements within the meaning of Chapter 167 of the 1937 laws of the State of New Mexico.

[Signature]
Affiant.

Sworn and subscribed to before me this 2 day of

March, A. D., 1944.

[Signature]
Notary Public.

My commission expires _____

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. 50.

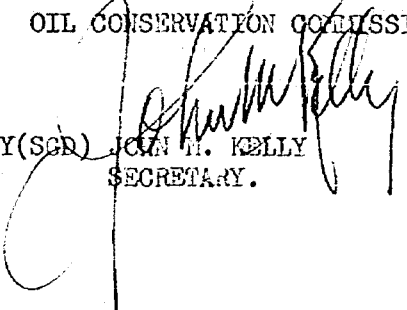
In the matter of the application of Al Greer, Aztec, New Mexico, for an order determining as abandoned the following wells: H. L. Williams - Santa Fe Pacific Railroad Company Well No. 3, SWSW 29-18N-8W, and H. L. Williams - Santa Fe Pacific Railroad Company Well No. 4, NESW 19-18N-8W, McKinley County, New Mexico; and further for an order permitting said applicant to pull the casing from said wells and to plug said wells in accordance with the laws, rules and regulations of the Oil Conservation Commission of the State of New Mexico. The attorney for said applicant is George Bruington, Esquire, Aztec, New Mexico. This case is set for 10 A.M., March 24, 1944.

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 February 28, 1944.

Given under the seal of said Commission at Santa Fe, New Mexico, on February 29, 1944.

OIL CONSERVATION COMMISSION

BY (SGD)  JOHN H. KELLY
SECRETARY.

SEAL

CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

February 29, 1944

Mr. Al Greer
Astor, New Mexico

Re: Case No. 30

Dear Al:

Enclosed please find copy of Notice of Publication in the above captioned case which is set for 10 A.M., March 24, Santa Fe, New Mexico.

The Commission does not undertake to determine title of property. That is a matter for the parties to determine themselves in a Court having jurisdiction. The Commission as a quasi-judicial body does have jurisdiction to determine, upon proper testimony, whether a well is abandoned and if abandoned, to pronounce and order to plug the well in accordance with the laws, rules and regulations of the Commission.

Very truly yours,

John M. Kelly
Director

By

Chief Clerk & Legal Adviser

CML:MS
cc George Brington, Astor
Robt. C. Nelson
Supt. of Claims - USFEG
9th Floor, University Bldg.,
Denver, Colo

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U. S. NATIONAL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Oct 1944

C
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P
Y

February 12, 1944

Mr. Al Greer
Artes, New Mexico

Re: H. L. Williams - \$10,000 - USF&G Co., surety. 8-1-29
H. L. Williams - AT & SF No. 3, SWSW 29-18N-8W
H. L. Williams - AT & SF No. 4, NWSW 19-18N-8W

Re: Petition of Al Greer for hearing for an order to
adjudge the above wells as abandoned and for an
order to plug said wells.

Dear Al:

This is to advise you that the hearing in the above captioned
matter is expected to be set on or about March 25. You will be
further advised in ample time as to the exact date.

The Commission is also in receipt of a letter from Robert
C. Nelson, Superintendent of Claims for the surety, desiring to
know when the case is to be set for hearing and to be advised of
the identity of the party to whom notice of the hearing is given.
A signed carbon copy of this letter is going forward to Mr. Nelson
for his information. He, as well as you, will have ample notice of
the hearing.

Notice of hearing will be published in newspaper in the County
of Santa Fe and in McKinley County as provided in Section 15,
Chapter 72, Laws of New Mexico 1935, the basic conservation act.

Very truly yours,

John M. Kelly
Director

By

Chief Clerk & Legal Adviser

CBL:KS
cc Robert C. Nelson

US F&G
University Bldg
Denver, Colo.



UNITED STATES FIDELITY AND GUARANTY COMPANY
DENVER OFFICE

NINTH FLOOR, UNIVERSITY BUILDING, DENVER, COLO.

DAVID JACOBS
Manager

ROBERT C. NELSON
Superintendent of Claims

TELEPHONE
KEYSTONE 2351

February 9, 1944

49-CR-82 - H. L. Williams - U. S. A.

Carl B. Livingston, Chief Clerk
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Livingston:

We have before us a copy of a petition filed by Mr. Greer in connection with the wells that we were discussing in your office recently.

We presume that you will set this matter for hearing and at this time we ask to be advised of the identity of the parties to whom notice of the hearing is given, presuming of course that we will have similar notice.

Very truly yours,

RCN:PC


SUPERINTENDENT

BEFORE THE OIL CONSERVATION COMMISSION
OF
THE STATE OF NEW MEXICO.

IN THE MATTER OF THE PETITION OF)
AL GREER ASKING THAT WELLS DRILLED) JANUARY 1944.
BY H.L.WILLIAMS ON LANDS UNDER THE)
JURISDICTION OF THE COMMISSION BE)
ADJUDGED ABANDONED.)

PETITION.

To the Oil Conservation Commission
of the State of New Mexico.

Gentlemen;

Come now Al Greer, petitioner, a resident of Artes,
New Mexico, and respectfully shows to the Commission.

1. That heretofore one H.L.Williams held an oil and gas lease from Santa Fe Pacific Railroad Company upon lands owned by said Company situated in McKinley County, State of New Mexico, described (in part) as the SW $\frac{1}{4}$ Section 29 and NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 19, in Township 18 North of Range 8 West, N.M.P.M.
2. That under said lease or leases held by said H.L.Williams he drilled what is known as Well No.4 of the said NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 19 and Well No.3 on the said SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 29., and both of said wells, as your petitioner is informed and believes were drilled to a depth of between 1800 and 1900 feet and said wells were not properly drilled, or completed, and the sands encountered were not protected and are not now protected to prevent intrusion of waters, or other detrimental elements or substances from intruding in formation and sands other than in which encountered, all to the detriment of said lands on which said wells were drilled and other adjacent lands, and in violation, or noncompliance with the rules and regulations of the Commission.
3. That up to the time that said H.L.Williams commenced the drilling of said wells he had complied with the rules and regulations of the Commission and had posted Surety Bond or Bonds executed by The United States Fidelity & Guaranty Company.
4. That said oil and gas leases running to said H.L.Williams as Lessee, from said Railroad Company, as lessor, were cancelled by said lessor in the year 1941 and said Williams, since said date, has no rights in or to said leased land, nor said wells, nor the casing therein, and said H.L. Williams has failed to live up to or comply with the rules and regulations of the Commission, including reports as to operations, protection of oil, gas and water formations, plugging of the wells, and neglect and failure otherwise to comply with his obligations, both to the Commission and to said Bonding Company; That the footage and amount of casing and dimensions thereof is not known to your petitioner sufficiently so that he can give the same to the Commission.

5. Your petitioner alleges that said H.L. Williams has no right, title or interest in or to the lands on which said wells were drilled, as heretofore set forth and by reason of neglect and failure of the said H.L. Williams to comply with the law, and the rules and regulations of the Commission, said wells and each of them are in fact abandoned wells, and should by the Commission be so adjudged, and should by the Commission be ordered plugged in accordance with said laws, rules and regulations.

6. Your petitioner asks that all of the records of the Commission in connection with the matters and things herein referred to be made a part of this petition by reference.

7. Your petitioner further states that he secured an Oil & Gas Lease from said Railroad Company for the land upon which Well No. 4 was drilled by said H.L. Williams, and now holds a one half interest therein, and desires to develop said land under said Lease, and the condition of said Well No. 4 is such that it should be plugged, so that no damage may be done by intrusion of waters and other detrimental elements or substances in formations other than in which encountered.

8. That Well No. 3 herein referred to, drilled by said H.L. Williams, is not under Lease to any one, as your petitioner is informed and believes, but said well, in present condition, should be plugged to prevent damage to said land and other adjacent lands, and your petitioner is informed and believes that the fee owner of said land desires that this should be done, by order of the Commission.

9. Your petitioner, upon information and belief, alleges that said H.L. Williams is now deceased.

10. Your petitioner, holding an interest in said Oil & Gas Lease as aforesaid desires that said wells and each of them be plugged, so that he may be assured that his leased land will be protected, and your petitioner is willing to assume the responsibility of plugging said wells, if permitted to salvage the casing in said wells as compensation, otherwise for the reasonable cost and expense in connection therewith.

WHEREFORE; Your petitioner asks;

1. That a date be set for hearing hereon and that the Commission give notice thereof in accordance with the rule and regulations in such cases made and provided.

2. That at such hearing the Commission adjudge said wells and each of them to have been abandoned and be abandoned wells.

3. That said wells be plugged in accordance with the rules and regulations of the Commission.

4. That petitioner be permitted to plug said wells under such terms and conditions as may be agreed upon.

5. For such other or further orders, judgments or relief as may be deemed proper to the Commission, under the laws, rules and regulations pertaining thereto.

Respectfully submitted.

Copy hereof mailed to,
Mr Robert C. Nelson, Supt of Claims
of the United States Fidelity & Guaranty
Company, University Building, Denver, Colo.
Mr E.O. Hemenway, Land Commissioner A.T.G.E.
RR. Albuquerque, New Mexico.

(signed) Al Greer

Al Greer, Aztec, New Mexico.

Subscribed and sworn to before me this 27th day of January, 1944.
My Commission expires February 1, 1944.

(Seal)

George F. Bruington

Notary Public.

copy.

IL CONSERVATION COMMISSIO.
SANTA FE, NEW MEXICO

February 8, 1944

Mr. A. Greer
Aztec, New Mexico

Re: H. L. Williams - \$10,000 Bond - USF&G Co., surety. 8-1-29
H. L. Williams - AT & SF No. 3, SMSW 29-18N-SW
H. L. Williams - AT & SF " 4, NKSX 19-18N-SW

Dear Al:

This is to acknowledge receipt of Registry No. 466, containing your petition relating to the plugging of the above two captioned wells. Your petition will be brought to the attention of John M. Kelly, Director of this Commission, who will present the petition before the Commission for setting of a date for hearing and the ordering of publication of notice as prescribed by law.

If I knew his name, I would be happy to congratulate the attorney who drew this petition. I congratulate both you and Mr. Robert C. Nelson, Superintendent of Claims for the Surety Company, for bringing about skilled service in the rendition of the petition. The petition, being the foundation of a case, is of more than suspected importance; for if a petition is well drawn it is circumspect with respect to object desired as it relates to legal feasibility.

Very truly yours,

John M. Kelly
Director

CBL:MS

cc Robert C. Nelson
Supt. of Claims
USF&G Co.
University Building
Denver, Colo.

By
Chief Clerk & Legal Adviser

C
O
P
Y

From
Al Greer
Aztec, New Mexico.

473

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE NEW MEXICO.

ATTENTION
ATTORNEY LIVINGSTON.

REGISTERED
NO 466

Greer & Livingston

BEFORE THE OIL CONSERVATION COMMISSION
OF
THE STATE OF NEW MEXICO.

IN THE MATTER OF THE PETITION OF)
AL GREER ASKING THAT WELLS DRILLED) JANUARY 1944.
BY H.L.WILLIAMS ON LANDS UNDER THE)
JURISDICTION OF THE COMMISSION BE)
ADJUDGED ABANDONED.)

PETITION.

To the Oil Conservation Commission
of the State of New Mexico.

Gentlemen;

Comes now Al Greer, petitioner, a resident of Aztec,
New Mexico, and respectfully shows to the Commission.

1. That heretofore one H.L.Williams held an oil and gas lease from Santa Fe Pacific Railroad Company upon lands owned by said Company situated in McKinley County, State of New Mexico, described (in part) as the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 29 and NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 19, in Township 18 North of Range 8 West, N.M.P.M.
2. That under said lease or leases held by said H.L.Williams he drilled what is known as Well No. 4 of the said NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 19 and Well No. 3 on the said SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 29, and both of said wells as your petitioner is informed and believes were drilled to a depth of between 1800 and 1900 feet and said wells were not properly drilled, or completed, and the sands encountered were not protected and are not now protected to prevent intrusion of waters, or other detrimental elements or substances from intruding in formation and sands other than in which encountered, all to the detriment of said lands on which said wells were drilled and other adjacent lands, and in violation, or noncompliance with the rules and regulations of the Commission.
3. That up to the time that said H.L.Williams commenced the drilling of said wells he had complied with the rules and regulations of the Commission and had posted Surety Bond or Bonds executed by The United States Fidelity & Guaranty Company.
4. That said Oil and Gas Leases running to said H.L.Williams as Lessee, from said Railroad Company, as lessor, were cancelled by said lessor in the year 1941 and said Williams, since said date, has no rights in or to said leased land, nor said wells, nor the casing therein, and said H.L.Williams has failed to live up to or comply with the rules and regulations of the Commission, including reports as to operations, protection of oil, gas and water formations, plugging of the wells, and neglect and failure otherwise to comply with his obligations, both to the Commission and to said Bonding Company; That the footage and amount of casing and dimensions thereof is not known to your petitioner sufficiently so that he can give the same to the Commission.

5. - Your petitioner alleges that said H.L. Williams has no right, title or interest in or to the lands on which said wells were drilled, as heretofore set forth and by reason of neglect and failure of the said H.L. Williams to comply with the law, and the rules and regulations of the Commission, said wells and each of them are in fact abandoned wells, and should by the Commission be so adjudged, and should by the Commission be ordered plugged in accordance with said laws, rules and regulations.

6. Your petitioner asks that all of the records of the Commission in connection with the matters and things herein referred to be made a part of this petition by reference.

7. Your petitioner further states that he secured an Oil & Gas Lease from said Railroad Company for the land upon which Well No. 4 was drilled by said H.L. Williams, and now holds a one half interest therein, and desires to develop said land under said Lease, and the condition of said Well No. 4 is such that it should be plugged, so that no damage may be done by intrusion of waters and other detrimental elements or substances in formations other than in which encountered.

8. That Well No. 3 herein referred to, drilled by said H.L. Williams, is not under Lease to any one, as your petitioner is informed and believes, but said well, in present condition, should be plugged to prevent damage to said land and other adjacent lands, and your petitioner is informed and believes that the fee owner of said land desires that this should be done, by order of the Commission.

9. Your petitioner, upon information and belief, alleges that said H.L. Williams is now deceased.

10. Your petitioner, holding an interest in said Oil & Gas Lease as aforesaid desires that said wells and each of them be plugged, so that he may be assured that his leased land will be protected, and your petitioner is willing to assume the responsibility of plugging said wells, if permitted to salvage the casing in said wells as compensation, otherwise for the reasonable cost and expense in connection therewith.

WHEREFORE; Your petitioner asks;

1. That a date be set for hearing hereon and that the Commission give notice thereof in accordance with the rule and regulations in such cases made and provided.
2. That at such hearing the Commission adjudge said wells and each of them to have been abandoned and be abandoned wells.
3. That said wells be plugged in accordance with the rules and regulations of the Commission.
4. That petitioner be permitted to plug said wells under such terms and conditions as may be agreed upon.
5. For such other or further orders, judgments or relief as may be deemed proper to the Commission, under the laws, rules and regulations pertaining thereto.

Respectfully submitted.

Copy hereof mailed to,
Mr Robert C. Nelson, Supt of Claims
of the United States Fidelity & Guaranty
Company, University Building, Denver, Colo.
Mr E.O. Hemenway, Land Commissioner A.T.S.E.
RR. Albuquerque, New Mexico.

Al Greer
Al Greer, Aztec, New Mexico.

Subscribed and sworn to before me this 27th day of January, 1944.
My Commission expires February 17, 1944.

George F. Dinning
Notary Public.