

SETH AND MONTGOMERY
ATTORNEYS AND COUNSELORS AT LAW
III SAN FRANCISCO ST.
SANTA FE NEW MEXICO
November 14, 1946.

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

Oil Conservation Commission
408 Galisteo,
Santa Fe, New Mexico.

Gentlemen:

I enclose in duplicate Petition on behalf of American Employers Insurance Company for the plugging of a well situate in the SW $\frac{1}{4}$ of Section 36, Township 7 North, Range 7 East, Tarrant County, New Mexico, by O. J. Lee. The above Company is the surety on his drilling bond.

I would greatly appreciate your checking the Petition, particularly as to the description. I believe the location of the well is correctly stated, but I am not certain about it.

Very truly yours,



JOS:AW
Encls.

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

November 20, 1946

Estancia Valley Carbon
Dioxide Development Co.
Att: A. L. Mill, Secretary
652 E. 61st Street
Los Angeles, California

Re: Case 89

Gentlemen:

Reference is made to your letter of November 18 in which you state as follows:

"This company is an indemnitor under the bond in question and we have no objection to the well being plugged and the matter closed. However, we understand there is a complete string of pipe in the well and we ask your cooperation to the end that such pipe be not removed from the well without a complete and satisfactory plugging job performed at the same time and that the cost of the plugging job be paid out of the salvage of pipe recovered.

"We are not interested in the recovery of salvage from this well but we are interested in that the plugging operation be completed while the tools are available on the site for any salvaging operation that may be undertaken".

In response to your letter you are informed that this Commission has nothing whatever to do with title to property rights involved. The Commission's function is in substance this: the permit to drill the well in question was issued to the late O. J. Lee. The plugging of the well in accordance with the laws, rules and regulations of the Commission, is assured by O. J. Lee, principal, and the surety, which is the petitioner in this case. The well should be plugged in such manner as to protect any oil or gas bearing strata from the encroachment of water, when the well is dry or abandoned.

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OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Estancia Valley Carbon
Dioxide Development Co.

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The corporate surety and petitioner has brought a proceeding before this Commission for a determination of the well as abandoned and for an order to plug said well. If the petitioner is successful in obtaining, after hearing, the finding of fact of abandonment and an order authorizing plugging, then the Commission will require a plugging program to be carried out in keeping with conservation standards for the protection of undesired water encroachments, but whatever disposition is made of the casing or equipment is a matter over which the Commission has no jurisdiction and is a matter between the actual owners and whoever endeavors to dispose of such property. Possibly the surety and petitioner has or will investigate the ownership of any casing or other property in the hole.

Should there be some party succeeding to the ownership of the well with the right to operate it, possibly that party would wish to supply the plugging bond and continue the operation of the well. The plugging bond of such party would be necessary before this Commission could authorize, from a conservation standpoint, such new operation.

Very truly yours,

Chief Clerk & Legal Adviser

CBL:MSH
cc J. C. Seth

**Estancia Valley Carbon Dioxide
Development Co. [N.S.L.]**

PRODUCERS
CARBON DIOXIDE GAS

MCINTOSH, N. M.

WELLS
TORRANCE CO., N.M.

EXECUTIVE OFFICE:
652 E. 61ST STREET, LOS ANGELES, CALIF.

November 18th 1946.

Oil Conservation Commission
Santa Fe, New Mexico

ATTENTION: Mr Carl B Livingston, Chief Clerk & Legal Adviser

RE: Case No. 89 Orivlle Lee - C M Milbourn Well No. 1

Gentlemen:

We acknowledge receipt of your letter of November 15th giving notice to show cause why the above-captioned well should not be plugged upon application of the American Employers Insurance Company.

This company is an indemitor under the bond in question and we have no objection to the well being plugged and the matter closed. However, we understand there is a complete string of pipe in the well and we ask your cooperation to the end that such pipe be not removed from the well without a complete and satisfactory plugging job performed at the same time and that the cost of the plugging job be paid out of the salvage of pipe recovered.

We are not interested in the recovery of salvage from this well but we are interested in that the plugging operation be completed while the tools are available on the site for any salvaging operation that may be undertaken.

Yours very truly,

ESTANCIA VALLEY CARBON
DIOXIDE DEVELOPMENT CO.


A L MILL
Secretary

ALM*MM

IL CONSERVATION COMMISSIO
SANTA FE, NEW MEXICO

November 20, 1946

Mr. C. M. Milbourn
Estancia, New Mexico

Re: Case 89

Dear Mr. Milbourn:

Your letter of November 18 is of personal nature and therefore prompts a personal reply.

The petition of the insurance company upon the plugging bond of O. J. Lee, deceased, recited upon information and belief the names of the various parties who have or claim some interest in the well in question or the land upon which it is located. Among these were included "Charles Milbourn and Sophie Milbourn, his wife, Estancia, New Mexico". Information reveals that the names of the parties were supplied by the insurance company and that it in turn obtained the names from a suit filed by you and Mrs. Milbourn in District Court of Torrance County, to quiet title. The error somewhere along the line is obviously typographical

In some respects there is a marked similarity in the two names but a vast difference in charm. The erroneous name "Sophie" is a little homely; the correct name "Sylvia" is poetic -- compliments to Mrs. Milbourn. You come in for your share of the compliments too -- your good fortune in having a wife who thinks enough of you to be incensed over nothing more than just a mistaken name.

With my respects to both you and Mrs. Milbourn, but disregarding the non-existent Sophie, I am

Very truly yours,

CBL:MSH

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CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

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November 15, 1946

Mr. William B. Macey
Oil Conservation Commission
Room 312 Carper Building
Artesia, New Mexico

Re: Case 89. In the matter of the application of American Employers Insurance Company, surety upon the plugging bond for the hereinafter described well, requiring the interested parties to show cause why Orville Lee - C. M. Milbourn Well No. 1, Center SW $\frac{1}{4}$, Section 36, Township 7N, Range 7E, N.M.P.M., Torrance County, should not be declared abandoned and ordered plugged in accordance with the regulations of the New Mexico Oil Conservation Commission and the provisions of said bond.

Dear Bill:

The hearing in the above captioned case is set for 10 A.M., December 6, 1946, at Santa Fe, to try the well for abandonment. This is a well drilled for carbon dioxide several years ago. Please examine the well for such facts as may tend to prove whether or not it is abandoned, and be prepared to testify before the Commission at the hearing.

Kindest regards.

Very truly yours,

Chief Clerk & Legal Adviser

CBL:MSH
cc J. O. Seth

OIL CONSERVATION COMMISSIC
SANTA FE, NEW MEXICO

November 15, 1946

Honorable J. O. Seth
Santa Fe, New Mexico

Re: Case 89. In the matter of the application of American Employers Insurance Company, surety upon the plugging bond for the hereinafter described well, requiring the interested parties to show cause why Orville Lee - C. M. Milbourn Well No. 1, Center SW $\frac{1}{4}$, Section 36, Township 7N, Range 7E, N.M.P.M., Torrance County, should not be declared abandoned and ordered plugged in accordance with the regulations of the New Mexico Oil Conservation Commission and the provisions of said bond.

Dear Judge Seth:

Your petition in the above captioned matter has been set down for hearing December 6 at 10 A.M., at Santa Fe, New Mexico.

Enclosed is a copy of registered letter which has been sent to each of the parties presumed to hold some interest in the well in question, which parties you named in your petition.

Very truly yours,

Chief Clerk & Legal Adviser

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OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

REGISTERED
RETURN RECEIPT REQUESTED

November 15, 1946

Mrs. O. J. Lee
Executrix of estate of O. J. Lee
534 West Laurel
Compton, California

Mr. M. L. Harris
Blackwell, Oklahoma

Rodey, Dickason & Sloan
First National Bank Building
Albuquerque, New Mexico

Estancia Valley Carbon Dioxide Devel. Co.
652 East 61st Street
Los Angeles, California

Charles & Sophie Milbourn
Estancia, New Mexico

Re: Case 89. In the matter of the application of American Employers Insurance Company, surety upon the plugging bond for the hereinafter described well, requiring the interested parties to show cause why Orville Lee - C. M. Milbourn Well No. 1, Center SW $\frac{1}{4}$, Section 36, Township 7N, Range 7E, N.M.P.M., Torrance County, should not be declared abandoned and ordered plugged in accordance with the regulations of the New Mexico Oil Conservation Commission and the provisions of said bond.

Gentlemen:

American Employers Insurance Company, as surety upon the bond of O. J. Lee, assuring plugging of the well described in the caption, has filed its petition with this Commission for a hearing to determine said well as abandoned and for an order to plug said well, and said petitioner has asked that the interested parties be required to show cause why said well should not be declared abandoned and ordered plugged.

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SANTA FE, NEW MEXICO

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Each of you to whom this letter is addressed has been named in the petitioner's petition upon information and belief to have to claim some interest in the well or the land on which said well is located, described in the caption.

The hearing on said petition is set at Santa Fe, New Mexico, on December 6, 1946, at 10 A.M.

Very truly yours,

Chief Clerk & Legal Adviser

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OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

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November 15, 1946

Honorable Glenn Staley
Proration Office
Hobbs, New Mexico

Re: Case 89 - Notice of Publication

Dear Glenn:

Enclosed is Notice of Publication in Case 89.

Very truly yours,

Chief Clerk & Legal Adviser

CEL:MSH

OIL CONSERVATION COMMISS. N
SANTA FE, NEW MEXICO

November 15, 1946

Santa Fe New Mexican
Santa Fe, New Mexico

Estancia News Herald
Estancia, New Mexico

Mountainair Progressive
Mountainair, New Mexico

Re: Case 89 - Notice of 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 necessary blanks are
enclosed.

Very truly yours,

Chief Clerk & Legal Adviser

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EX. B
89

ECHLIN-IRVIN-GROWELL & CO.

GENERAL INSURANCE

FIDELITY AND SURETY BONDS

355 MYRTLE AVE.

PHONES { MAIN 8800
 MAIN 8801
 MAIN 801

EL PASO, TEXAS

FIRE, RENTS,
LEASEHOLD, TORNADO,
MARINE, SPRINKLER, LEAKAGE,
WATER DAMAGE, USE AND
OCCUPANCY

BOILER, ELEVATOR,
WORKMEN'S COMPENSATION,
EMPLOYER'S LIABILITY, BURGLARY,
PLATE GLASS, AUTOMOBILE
INSURANCE

TO

November 25, 1946

ESTATE OF O. J. LEE, DECEASED

ESTANCIA, NEW MEXICO

HERTZOG & REYER - EL PASO

DATE	POLICY NUMBER	COMPANY	RISK	PREMIUM	
3-31-44	SY-111448	Amer. Emp.	Drfg. Bond	\$	50 00
3-31-45	SY-111448	Amer. Emp.	Drfg. Bond	\$	50 00
3-31-46	SY-111448	Amer. Emp.	Drfg. Bond	\$	50 00
				TOTAL	\$150 00

I hereby certify that the above is a correct and true account of outstanding premiums past due on the above bond.

J. C. Echlin
J. C. Echlin

Subscribed and sworn to before me this 25th day of November, 1946.

F. McNeill
F. McNeill, Notary Public
In and for the County of
El Paso, Texas

My commission expires 6-1-47

C. M. MILBURN, IMPLEMENTS

THE OLIVER LINE OF
TRACTORS, COMBINES, ETC.

Handwritten notes:
Jan 10 1946
1000
1000
1000

ESTANCIA, NEW MEXICO

11-18-46

Oil Conservation Commission

*Seate. F. 117M
Continues*

*In re plugging well - SW 36 - T7N R7E N.M.P.M.
Cobalt - Coal B. bivergator*

*Your letter of Dec-15 connecting me in a business manner with one Sophie
Milburn caused my wife to become highly incensed. In other words that letter
would indicate that I might have a paramour.*

*So my wife Sylvia Milburn refused to sign anything.
She and I agree on oil & gas lease to one O.J. Kee. All we want in return
if they are not going to finish the well then we want it plugged.*

*I am
Yours for action
C. M. Milburn*