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CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have this 70 day of August, 1955, mailed a copy of the foregoing to Oil Conservation Commission of the State of New Mexico, Santa Fe, New Mexico, and to Willard F. Kitts, 116 East Palace Avenue, Santa Fe, New Mexico. According to the trial docket, the above entitled cause has been set down for hearing September 28, 1955.

s/ L. C. White

L. C. WHITE

GILBERT. WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

STATE OF NEW MEXICO COUNTY OF SANTA FE IN THE DISTRICT COURT

R. J. PALMER,

Plaintiff,

vs.

No. 6179

OIL CONSERVATION COMMISSION OF
THE STATE OF NEW MEXICO, and
CRESENERIER OIL COMPANY,
a partnership,

Defendants.

ENTRY OF APPEARANCE

I hereby enter my appearance as attorney for the Oil Conserva-
tion Commission of the State of New Mexico, one of the defendants
in the above-entitled and numbered cause.

Willard P. Kitts
116 East Palace Avenue
Santa Fe, New Mexico

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have this ____ day of August, 1955,
mailed a copy of the foregoing Entry of Appearance to H. J. Guthmann,
Plaza Building, Santa Fe, New Mexico; McKenna & Sommer, 302 East
Palace Avenue, Santa Fe, New Mexico; George A. Graham, 212 East
Santa Fe Avenue, Santa Fe, New Mexico; Seth & Montgomery, 111 East
San Francisco, Santa Fe, New Mexico.

Willard P. Kitts

H. J. GUTHMANN
ATTORNEY AT LAW
PLAZA BUILDING
SANTA FE, NEW MEXICO

August 31, 1955

Hon. J. M. Scarborough
District Judge
First Judicial District
Santa Fe County Courthouse
Santa Fe, New Mexico

Re: Palmer v. Oil Conservation
Commission, et al., No.
6177, Rio Arriba County.

Dear Judge Scarborough:

The above referred to case has been set for hearing at 9:30 A. M. on
September 28, 1955.

McKenna and Soumer are also attorneys for the Plaintiff, and we feel
that the issues may be narrowed by a pre-trial conference, and hereby re-
quest that the Court grant our request for a pre-trial conference prior to
the date of trial. It would be agreeable with us for the pre-trial confer-
ence to be set next week or the following week, if the Court can arrange
such setting.

A copy of this letter is being mailed to the attorneys of record
for the defendants so that they may be apprised of this request.

Sincerely yours,

H. J. Guthmann
H. J. GUTHMANN

HJG:gd

cc: McKenna & Soumer
302 E. Palace Ave.
Santa Fe, New Mexico

Seth & Montgomery
111 E. San Francisco
Santa Fe, New Mexico

George A. Graham
212 East Santa Fe Avenue
Santa Fe, New Mexico

Willard F. Kitts
116 East Palace Avenue
Santa Fe, New Mexico

STATE OF NEW MEXICO

COUNTY OF SANTA FE

IN THE DISTRICT COURT

H. J. FORNER,

Plaintiff

vs.

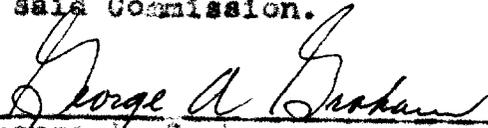
No: 6179

OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO, AND
GREENHORN OIL COMPANY,
A PARTNERSHIP,

Defendants

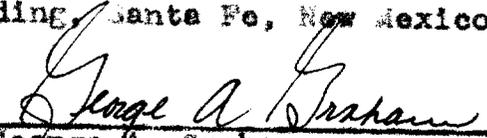
NOTICE OF WITHDRAWAL

Comes now George A. Graham and enters this, his withdrawal in the above entitled cause as attorney for the Oil Conservation Commission of the State of New Mexico, one of the defendants herein, being no longer employed by said Commission.


George A. Graham

Certificate of Service by Mail

I certify that on this 31st day of August, 1955, I mailed a copy of this instrument to H. J. Guthman, Plaza Building, Santa Fe, New Mexico; McKenna & Seamer, 302 E. Palace Avenue, Santa Fe, New Mexico; Seth & Montgomery, 111 E. San Francisco Street, Santa Fe, New Mexico; and to Willard F. Kitts, Oil Conservation Commission, Capitol Building, Santa Fe, New Mexico.


George A. Graham
Room 11, Sans Building
Santa Fe, New Mexico

ILLEGIBLE

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT COURT
SANTA FE

CHAMBERS OF
JAMES M. SCARBOROUGH
JUDGE
DIVISION TWO

September 8, 1955

PALMER

Mr. E. J. Guthmann
Attorney at Law
P. O. Box 487
Santa Fe, New Mexico

Re: Palmer v Oil Conservation Commission, et. al.
Rio Arriba County #6177

Dear Mr. Guthmann:

This is in reply to your letter of August 31, requesting setting of the case referred to for pre-trial prior to the date of final hearing, which has been set for September 28. The position of my calendar is such that I do not believe it will be possible to set this case for pre-trial prior to the date of final hearing. It may be that a pre-trial conference can be held preceding the beginning of the trial proper, if the attorneys feel that it would be helpful and expedite the hearing.

Very truly yours,

JM Scarborough
JAMES M. SCARBOROUGH
District Judge

JMS:ar

cc: McKenna & Sommer
302 East Palace Avenue
Santa Fe, New Mexico

Seth & Montgomery
111 East San Francisco
Santa Fe, New Mexico

Mr. George A. Graham
212 East Santa Fe Avenue
Santa Fe, New Mexico

Mr. Willard F. Kitts
116 East Palace Avenue
Santa Fe, New Mexico

STATE OF NEW MEXICO COUNTY OF RIO ARRIBA IN THE DISTRICT COURT

R. J. PALMER,
Plaintiff,

vs.

NO. 6177

OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO,
and GREENBRIER OIL COMPANY,
a partnership,

Defendants.

S T I P U L A T I O N

Subject to the approval of the Court, IT IS STIPULATED by R. J. Palmer, by his attorneys, H. J. Guthmann and Messers, McKenna and Sommer, and Greenbrier Oil Company by its attorneys, Seth and Montgomery, that the above entitled action and the Petition for Review of R. J. Palmer be dismissed, under the following terms and conditions:

1. Greenbrier Oil Company shall be permitted to remove from the well known as Palmer No. 1 well located in the Northeast Quarter of the Southwest Quarter of the Southeast Quarter of Section 1, Township 24 North, Range 2 West, N.M.P.M., Rio Arriba County, New Mexico, all of the tubing contained therein and all surface equipment including, but not by way of limitation, the Christmas-Tree.

2. Upon removal of the equipment mentioned in the foregoing paragraph Greenbrier Oil Company shall place a cap on the well fitted with a working pressure valve of 2000 pounds capacity and fitted with a suitable gauge, all to be done in accordance with good practice and any applicable rules of the Oil Conservation Commission.

3. Greenbrier Oil Company will notify the Oil Conservation Commission in writing of the fact that R. J. Palmer has undertaken the operation and assuming the ownership of the well, and will

request approval of such transfer and that Greenbrier Oil Company be released of its obligation to plug the said well and to be released of its obligation under the plugging bond, insofar as the described well is concerned.

4. It is further stipulated that Greenbrier Oil Company will arrange for a cancellation of permission to abandon said well, which permission was granted by the Oil Conservation Commission.

5. It is further stipulated that the lease on which the well is located, the same being dated November 19, 1949, between R. J. Palmer as Lessor, and Frank B. Murta and Russell Cobb as Lessees, and as the said lease may have thereafter been amended, has terminated by reason of the failure to pay shut-in payments.

6. It is stipulated that each of the parties hereto release the other from any and all obligations and duties that may have arisen in connection with the said well and lease at any time heretofore.

H. J. GUTHMANN
MCKENNA & SOMMER
Attorneys for Plaintiff
R. J. Palmer

By: _____

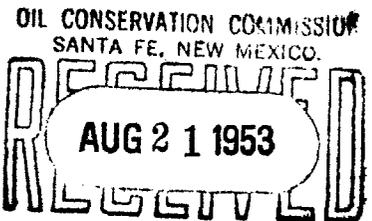
SETH AND MONTGOMERY
Attorneys for defendant
Greenbrier Oil Company

By: _____

OIL CONSERVATION COMMISSION OF
THE STATE OF NEW MEXICO

By: _____

Its Attorney.



BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF R. J. PALMER, LINDRITH, NEW MEXICO, FOR A PERMANENT ORDER PROHIBITING GREENBRIER OIL COMPANY FROM REMOVING, TAKING OR IN ANY OTHER MANNER INTERFERING WITH THE TUBING, CASING OR OTHER EQUIPMENT LOCATED IN OR ON THE PALMER NO. 1 WELL, NE $\frac{1}{4}$ SW $\frac{1}{4}$ OF SE $\frac{1}{4}$ OF SEC. 1, T. 24 N., R. 2 W., N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO, AND ALSO REQUESTING AN EMERGENCY ORDER

Comes now R. J. Palmer of Lindrith, New Mexico, and respectfully represents to the Oil Conservation Commission of the State of New Mexico, that he is the owner of the Palmer No. 1 well, located in NE $\frac{1}{4}$ SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 1, T. 24 N., R. 2 W., N.M.P.M., Rio Arriba County, New Mexico, and that said well is capable of producing in commercial quantities; and that said well is presently shut-in.

The applicant further represents that in and on such well there is located tubing, casing and other equipment; that the said Greenbrier Oil Company has stated to the applicant that it intends to remove such tubing, casing and other equipment; and that a purported agent of the Greenbrier Oil Company has stated to the applicant that such removal will take place Monday, August 24, 1953, or some time immediately thereafter. The applicant further represents that if such removal or pulling is allowed, it will cause irreparable injury to the said Palmer No. 1 well and that such removal or pulling is adverse to the interest of conservation and prevention of waste.

Wherefore, this applicant respectfully requests that this matter be set down for hearing on due notice, and that at such hearing a permanent order be issued preventing Greenbrier Oil Company from taking any such action as set out herein, and further requests that this Commission issue its emergency order prohibiting the Greenbrier Oil Company from taking any of the threatened actions in connection with the said well as set out herein.

DONE at Santa Fe, New Mexico, this 20 day of August 1953.

R. J. PALMER

By

Thomas F. McKenna

Thomas F. McKenna

Attorney for Applicant
302 E. Palace Ave.

Santa Fe, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF W. P. CARR FOR APPROVAL OF
AN UNORTHODOX DRILLING UNIT
FOR PICTURED CLIFFS GAS WELLS
IN SAN JUAN COUNTY, NEW MEXICO

PETITION

Comes now W. P. Carr by his attorney, Jason W. Kellahin, P. O. Box 361, Santa Fe, New Mexico, and petitions this honorable Commission for an order approving, as an exception to Commission Rule No. 104 (d), a drilling unit of less than 160 surface acres, in the SW $\frac{1}{4}$ of Sec. 9, Twp. 30 N., Rge. 11 W., N.M.P.M. and in support thereof, would show the Commission as follows:

1. That Petitioner is the holder of oil and gas leases on a total of 133 acres within the boundaries of the SW $\frac{1}{4}$ of Sec. 9, in Twp. 30 N., Rge. 11 W., N.M.P.M.

2. That diligent effort has been made to obtain leases on the balance of lands within this quarter section, without success.

3. That all but 4 acres of the lands upon which Petitioner has been unable to obtain leases are within the townsite of Aztec, New Mexico, and the owner's thereof are numerous and diverse, making it impractical to obtain leases thereon.

4. That Petitioner is desirous of drilling wells to the Pictured Cliffs common source of supply upon the lands held by him, and is unable to commit the entire 160 acres of the SW $\frac{1}{4}$ of Sec. 9, as required by Commission Rule No. 104 (d).

WHEREFORE, Petitioner prays this Commission issue its order granting him an exception to the provisions of Rule 104 (d), as to the SW $\frac{1}{4}$ of Sec. 9, in Twp. 30 N., Rge. 11 W., N.M.P.M.

Together with suitable provision for the protection of cor-

relative rights, as the Commission may determine.

Respectfully submitted,

W. P. Carr

by Jason W. Kellahin
Jason W. Kellahin, Attorney

Jason W. Kellahin
Box 361
Santa Fe, New Mexico,
Attorney for Petitioner

Case 574



BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF R. J. PALMER, LINDRITH, NEW MEXICO, FOR A PERMANENT ORDER PROHIBITING GREENBRIER OIL COMPANY FROM REMOVING, TAKING OR IN ANY OTHER MANNER INTERFERING WITH THE TUBING, CASING OR OTHER EQUIPMENT LOCATED IN OR ON THE PALMER NO. 1 WELL, NE $\frac{1}{4}$ SW $\frac{1}{4}$ OF SE $\frac{1}{4}$ OF SEC. 1, T. 24 N., R. 2 W., N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO, AND ALSO REQUESTING AN EMERGENCY ORDER

Comes now R. J. Palmer of Lindrith, New Mexico, and respectfully represents to the Oil Conservation Commission of the State of New Mexico, that he is the owner of the Palmer No. 1 well, located in NE $\frac{1}{4}$ SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 1, T. 24 N., R. 2 W., N.M.P.M., Rio Arriba County, New Mexico, and that said well is capable of producing in commercial quantities; and that said well is presently shut-in.

The applicant further represents that in and on such well there is located tubing, casing and other equipment; that the said Greenbrier Oil Company has stated to the applicant that it intends to remove such tubing, casing and other equipment; and that a purported agent of the Greenbrier Oil Company has stated to the applicant that such removal will take place Monday, August 24, 1953, or some time immediately thereafter. The applicant further represents that if such removal or pulling is allowed, it will cause irreparable injury to the said Palmer No. 1 well and that such removal or pulling is adverse to the interest of conservation and prevention of waste.

Wherefore, this applicant respectfully requests that this matter be set down for hearing on due notice, and that at such hearing a permanent order be issued preventing Greenbrier Oil Company from taking any such action as set out herein, and further requests that this Commission issue its emergency order prohibiting the Greenbrier Oil Company from taking any of the threatened actions in connection with the said well as set out herein.

DONE at Santa Fe, New Mexico, this 20 day of August 1953.

R. J. PALMER

By Thomas F. McKenna
Thomas F. McKenna

Attorney for Applicant
302 E. Palace Ave.
Santa Fe, N. Mexico

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF R. J. PALMER FOR AN EMERGENCY
ORDER IN CONNECTION WITH THE APPLI-
CATION OF R. J. PALMER, LINDRITH,
NEW MEXICO, FOR A PERMANENT ORDER
PROHIBITING GREENBRIER OIL COMPANY
FROM REMOVING, TAKING OR IN ANY
OTHER MANNER INTERFERING WITH THE
TUBING, CASING OR OTHER EQUIPMENT
LOCATED IN OR ON THE PALMER NO. 1
WELL, NE $\frac{1}{2}$ SW $\frac{1}{2}$ OF SE $\frac{1}{2}$ OF SEC. 1,
T. 24 N., R. 2 W., N.M.P.M., RIO
ARRIBA COUNTY, NEW MEXICO, AND ALSO
REQUESTING AN EMERGENCY ORDER

CASE NO. 574
ORDER NO. E-4

EMERGENCY ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter for an emergency order having come on for considera-
tion, and the Commission having read the application filed in this cause by
R. J. Palmer, and being fully advised in the premises, finds:

1. That it has jurisdiction over this cause and over the subject
matter thereof.
2. That the applicant has requested a permanent order and has set
down that matter for regular hearing with the Oil Conservation Commission of
the State of New Mexico, and such hearing will be held after due notice
according to law in September 1953.
3. That the allegations of the applicant indicate that unless an
emergency order is issued irreparable injury will be done to the interests of
conservation and the prevention of waste.
4. That reasonable cause exists for the issuance of an emergency
order in the interest of conservation and the prevention of waste.

IT IS THEREFORE ORDERED:

1. That the Greenbrier Oil Company and its authorized agents, or
either of them, cease and desist and are hereby restrained from taking any
action in any manner, or attempting to take any action in any manner, to pull
or remove any of the tubing or casing or other equipment now located in or on
Palmer No. 1, or in any other manner interfering with the present status of
the Palmer No. 1 well.

DONE at Santa Fe, New Mexico, on the 21st day of August
1953.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

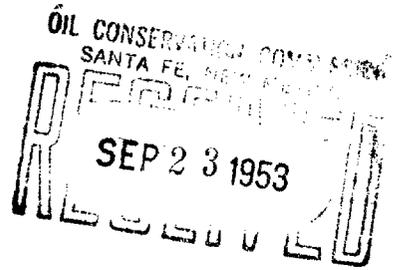
E. Walker

R. R. Guirrier

(SEAL)

THOMAS F. MCKENNA
ATTORNEY-AT-LAW
302 EAST PALACE AVENUE
SANTA FE, NEW MEXICO

September 22, 1953

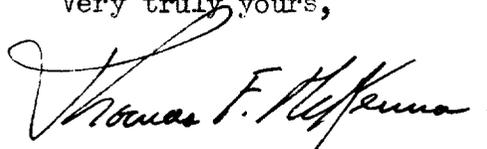


Mr. R. R. Spurrier
Oil Conservation Commission
State Capitol
Santa Fe, New Mexico

Dear Mr. Spurrier:

Enclosed herewith please find in triplicate the proposed Order in Case No. 574, R. J. Palmer.

Very truly yours,


Thomas F. McKenna

Enclosure

GILBERT, WHITE AND GILBERT

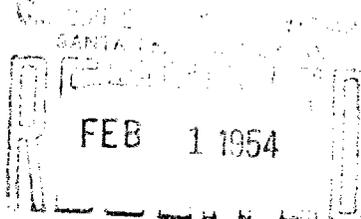
ATTORNEYS AND COUNSELORS AT LAW

BISHOP BUILDING

SANTA FE, NEW MEXICO

CARL H. GILBERT
L. C. WHITE
WILLIAM W. GILBERT
SUMNER S. KOCH

January 29, 1954.



Mr. Richard R. Spurrier
Secretary
Oil Conservation Commission of the
State of New Mexico
Santa Fe, New Mexico

Re: Phillips Petroleum Company vs.
Oil Conservation Commission
No. 11422; and

R. J. Palmer vs. Oil Conservation
Commission, No. 6177

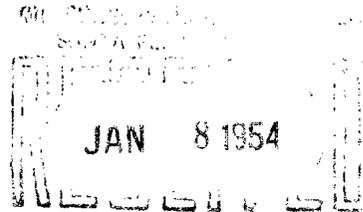
Dear Mr. Spurrier:

Enclosed herewith is a copy of my Answer in each of the
above cases for your information.

Very truly yours,

L. C. White
L. C. White

LCW:jhe
cc-Hon. Edwin L. Mechem
Hon. E. S. Walker



RS

STATE OF NEW MEXICO)
)
COUNTY OF RIO ARRIBA)

IN THE DISTRICT COURT

R. J. PALMER,
 Plaintiff,

vs.

No. 6177

OIL CONSERVATION COMMISSION, et al,
 Defendants.

ACCEPTANCE OF SERVICE

Comes now the OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO, by its attorney, George A. Graham, and hereby acknowledges and accepts service of a copy of the summons and complaint issued in the above referred to cause of action, the same as though the same had been served on it respectively, as provided by law, at Santa Fe, New Mexico, this 8th day of January, 1954.

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

By:

George A. Graham
Santa Fe, New Mexico
It's Attorney

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 12, 1953

Mr. Thomas McKenna, Attorney
Santa Fe, New Mexico

Dear Sir:

We enclose signed copy for your client, R. J. Palmer, of Order R-385 issued by this Commission in Case 574, which was brought up for hearing upon Mr. Palmer's application and your representation.

Very truly yours,

W. B. Macey
Chief Engineer

WBM:nr

cc: Mr. Oliver Seth, Santa Fe
(Attorney for Greenbrier Oil Co.)

C
O
P
Y

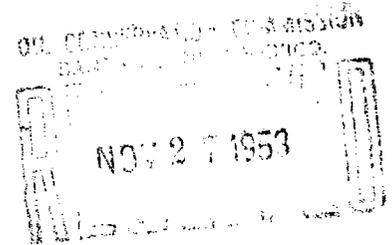
LAW OFFICES
MCKENNA & SOMMER
NASON BUILDING
302 E. PALACE AVENUE
SANTA FE, NEW MEXICO

THOMAS F. MCKENNA, SR.
JOSEPH A. SOMMER

Nov. 25, 1953

TELEPHONE 3-4901

(Nuts) *Worm* *RS*
11/29
Let it die



Mr. R. R. Spurrier
Oil Conservation Commission
P.O. Box 871
Santa Fe, New Mexico

In Re: Docket 574.

Dear Mr. Spurrier:

Enclosed herewith please find in triplicate the Application for Rehearing by R. J. Palmer. It is also respectfully requested that Emergency Order E-4 be reinstated and put into effect if the rehearing is granted and that in such case the proper parties, including your District Office at Aztec, New Mexico, be notified of such Order.

Very truly yours,

MCKENNA & SOMMER

By *Thomas F. McKenna*
Thomas F. McKenna

Enclosures

New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. RICHEN
CHAIRMAN
LAND COMMISSIONER E. S. WALKER
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR



P. O. BOX 574
SANTA FE, NEW MEXICO

October 6, 1953

Memo. to the Commission

CASE 574: The application of R. J. Palmer for an order prohibiting Greenbrier Oil Company from removing any of the casing or surface equipment from their Palmer No. 1 in Section 1, Township 24 North, Range 2 West, Rio Arriba County, New Mexico.

Recommendation:

The Commission has already entered an emergency order in this case (E-4) prohibiting Greenbrier from removing any of the equipment from the subject well.

Information available indicates that Greenbrier drilled a well during September and October 1951. The well encountered a slight show of gas in the Pictured Cliffs formation at an approximate depth of 3400'. The well was eventually drilled to a total depth of 5230' and then plugged back to 3436'. Where the Pictured Cliffs zone was shot the well cleaned out, the well making a relatively small volume of gas. Subsequently it appears that Greenbrier lost their lease due to non-payment of rentals and now desires to plug the well in a proper manner.

Evidence indicates that Greenbrier has ample legal rights to remove the casing and surface equipment since paragraph 9 of the lease clearly states, *this fact.* I have serious doubt whether the Commission, under its statutory powers, has the right to prevent anyone from plugging any well that it has drilled provided the well is plugged properly. Therefore, it seems in order for the Commission to adopt an order similar to that furnished by Seth and Montgomery which in affect dismisses the case.

W. B. Macey

CASE NO. 784
BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CERTIFICATE OF CORRECTION

VIRGINIA M. CHAVEZ, being first duly sworn upon oath, deposes and says:

That the Transcript of Proceedings in the above cause heretofore transcribed by her shows an omission on the last line of Page 11 and that, upon re-checking the original notes of said hearing it appears clearly that the word "YES" should have been supplied and that such word is reflected in the original notes.

It is further certified that the said word has been supplied by the undersigned on said page and that this certificate is hereby made for the purpose of reflecting the true state of facts.

Virginia M. Chavez
Virginia M. Chavez

Subscribed and sworn to before me this 26th day of August, 1955

Joy E. Zucke
Notary Public

My Commission expires:

October 8, 1958

New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER E.S. WALKER
MEMBER
STATE GEOLOGIST R.R. SPURRIER
SECRETARY AND DIRECTOR



P. O. BOX 871
SANTA FE, NEW MEXICO

Case 574
file

MEMO:

TO: W. B. MACEY AND R. R. SPURRIER

SUBJECT: Pitot Test of Greenbrier, Palmer #1, Section 1, Township 24 N,
Range 2 West, in connection with Case No. 574

This well was tested October 7, 1953 with Mr. Emery Arnold and Dusty Rhodes assisting and observing.

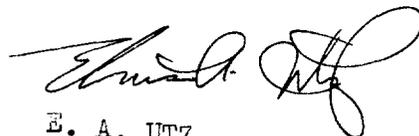
This well is located about 2 miles north and 3 miles East of Lindrith and about 1/2 mile SW of a farmhouse which I believed to be where Mr. Palmer resides, but I am not sure as he did not come to the well nor did we go to the house.

The calibrated spring gauges belonging to the commission was used since a dead weight gauge was not available. Both tubing and casing pressures were taken. Since the tubing and casing pressure were not the same it was suspected the well was bridged or water logged. After two minutes of flow, the well discharged destillate for about 2 minutes then went to water. The flow was so wet water dripped off the flow nipple. After 30 minutes the flow died to small pulsations indicating a head of water in tubing. We then opened well through the casing in an effort to get a guage without lifting water. The well stabilized at 72.68 MCF/da. New Mexico Base, corrected for atmospheric pressure, gravity, and flow nipple size.

It is my opinion that this well was producing thru considerable water on at least part of the formation. If well was swabbed and put to producing with a bleeder string to blow off water occasionally it would probably make considerably more than this test would indicate but would probably still be a marginal well, economically.

It is my further opinion that the wellhead is of the type which is far more expensive than is necessary for this type of well. The well is tubed with 2 7/8" tubing which is larger than necessary. Further, I do not believe the recovery of 7" casing would be more than 2000 feet and probably less since the cement came up to about 2200 feet below the surface.

It is my opinion the well is of questionable economic value but it would be of considerable value to Mr. Palmer for his personal needs should it be economically feasible for him to lay a line to his house and provide the necessary pressure reducers and water trap.


E. A. UTZ,
Gas Engineer

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Chas E 74

September 30, 1955

Mr. Oliver Seth
Seth & Montgomery
111 San Francisco St.
Santa Fe, New Mexico

Re: Greenbrier Oil Company
Palmer No. 1 Well, Rio
Arriba County, New Mexico
NE/4 SW/4 SE/4 Sec. 1, Twp.
24 North, Range 2 West

Dear Sir:

Reference is made to your letter of September 29th pertaining to the above-captioned well. In order for this Commission to approve the transfer of the above-captioned well from Greenbrier Oil Company to R. J. Palmer, it will be necessary for Mr. Palmer to execute Commission Form C-103 showing thereon the transfer of ownership. Before the Commission can approve this transfer it will be necessary for Mr. Palmer to obtain a \$5,000.00 one-well bond in accordance with Commission Rule 101.

I am instructing our Aztec Office to cancel the previous form which granted permission to Greenbrier Oil Company to plug and abandon the well. When Mr. Palmer has executed the proper forms, we will release Greenbrier Oil Company from the plugging bond insofar as this well is concerned.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:brp

CC-Mr. Thomas McKenna
302 East Palace
Santa Fe, N. M.

Mr. H. J. Guthmann
Plaza Building
Santa Fe, N. M.

Mr. Emery Arnold
Oil Conservation Commission
Aztec, N. M.

C
O
P
Y

J. O. SETH
A. K. MONTGOMERY
OLIVER SETH
WM. FEDERICI
JUSTIN T. REID

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

Case 574

29 September 1955

Oil Conservation Commission
State Capitol Building
Santa Fe, New Mexico

Re: Palmer No. 1 Well, Rio
Arriba County, New Mexico
NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 1, Twp.
24 N., R. 2 W.

Gentlemen:

You will recall that the above well was the subject of a hearing held before the Commission in Case No. 574 and which case, after final disposition by the Commission, was appealed to the District Court. The appeal has been now dismissed and R. J. Palmer has undertaken the operation and has assumed ownership of the well.

We hereby request approval of the transfer to the said R. J. Palmer and request that Greenbrier Oil Company be released from its obligation to plug the well, and be released under the plugging bond as far as this particular well is concerned. It is further requested that the bonding company be released insofar as this particular well is concerned.

Greenbrier Oil Company has heretofore requested permission to abandon the well. In view of the change of ownership, Greenbrier Oil Company does hereby withdraw its request for permission to abandon and requests that any permission to abandon that has heretofore been given by the Oil Conservation Commission be revoked.

Very truly yours,

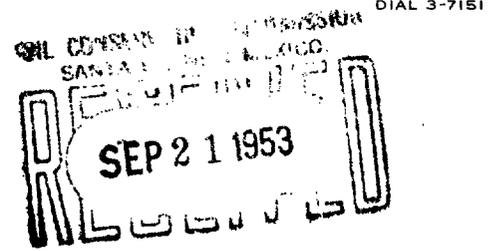
Oliver Seth

OS/p

POST OFFICE BOX 487

H. J. GUTHMANN
ATTORNEY AT LAW
PLAZA BUILDING
SANTA FE, NEW MEXICO

September 18, 1953



Mr. R. R. Spurrier
Oil Conservation Commission
State Capitol
Santa Fe, New Mexico

Dear Dick:

Enclosed herewith are copies of the two letters
which were introduced in the hearing of the
application of Roger J. Palmer which was held
yesterday. With kindest regards, I remain

Sincerely yours,


H. J. GUTHMANN

HJG:ms
Enc. 2

GREENBRIER OIL CO.
Hamm Building
Saint Paul 2, Minnesota
Telephone CEDar 5513

May 28, 1953

Mr. H. J. Guthmann
Attorney at Law
Plaza Building
Santa Fe, New Mexico

RE: New Mexico, Rio Arriba County
Roger J. Palmer Lease

Dear Mr. Guthmann:

As you know, the Roger J. Palmer lease entered into on the 11th day of November, 1949, between Mr. Palmer, as Lessor, and Frank B. Murta and Russell Cobb, as Lessee, and subsequently assigned to the partners of Greenbrier Oil Company, was amended on May 12, 1952. The Amendment changed the date for payment of shut-in gas royalty in lieu of rentals to May 15 of each year in place of the November 19th rental date, and it was because of this change that the shut-in royalties were inadvertently overlooked.

Under the lease as amended, we will remove casing and any other equipment on the leasehold now that Mr. Palmer has terminated the lease. However, before doing so, we would appreciate advice from you or your client as to the terms, if any, upon which this lease, as amended, might be reinstated.

Perhaps you are familiar with the fact that the value of the shut-in well on this lease is highly questionable for the reason that its potential production is very small, and for the more important reason that lack of development in the area makes it extremely unlikely that any pipeline will be brought in within any reasonable period. Therefore, there is no disposition on our part to spend any substantial sum of money over and above payments provided for in the lease as amended to reinstate the lease.

Because we wish to proceed with reasonable promptness to remove casing, we would appreciate a reply to this letter as promptly as possible, but will wait fifteen days from the date hereof before arranging to salvage the casing and equipment.

Very truly yours,

GREENBRIER OIL COMPANY

By: /s/ R. W. Anderson

R. W. Anderson

RSH;awr

BUNDLIE, KELLEY, FINLEY AND MAUN
Attorneys at Law
425 Hamm Building
Saint Paul 2, Minnesota

June 19, 1953

Mr. H. J. Guthmann
Attorney at Law
Plaza Building
Santa Fe, New Mexico

RE: New Mexico, Rio Arriba County
Roger Palmer Lease
H-183, M-45

Dear Mr. Guthmann:

Your letter of June 16, 1953, addressed to Mr. R. W. Anderson of Greenbrier Oil Company, has been referred to us by our client, Greenbrier Oil Company.

As indicated to you in prior correspondence, our client has no interest whatever in entering into a new lease on the Palmer property upon terms in excess of those contained in the old lease as amended.

Since the general rule established by various Courts' decisions is to the effect that a lessee, upon expiration or other termination of the lease, may enter and remove personal property including casing, tubular goods, etc. even without any provision to that effect in the lease, we fail to see any justification whatever for Mr. Palmer's position that Greenbrier Oil Company has no right to remove said casing and tubular goods. Even without the rule of law established by the decisions, such action is clearly provided for in the lease itself.

Should it become necessary to do so, we are prepared to bring the necessary proceedings to establish our rights in this respect.

Very truly yours,

BUNDLIE, KELLEY, FINLEY AND MAUN

/s/ Ronald S. Hazel

By: Ronald S. Hazel

RSCH:awr