CONTINENTAL OIL COMPANY, AMERADA PETROLEUM CORPORATION, PAN AMERICAN PETROLEUM CORPORATION, SHELL OIL COMPANY, THE ATLANTIC REFINING COMPANY, STANDARD OIL COMPANY OF TEXAS, and HUMBLE OIL & REFINING COMPANY,

Petitioners-Appellants and Cross-Appellees,

73.

No. 6 0 3 0

OIL CONSERVATION COMMISSION

Respondent-Appellee and Cross-Appellant,

TEXAS PACIFIC COAL & OIL COMPANY, a Foreign Corporation; EL PASO NATURAL GAS COMPANY, a Foreign Corporation; PERMIAN BASIN PIPELINE COMPANY, a Foreign Corporation; and SOUTHERN UNION GAS COMPANY, a Foreign Corporation,

Respondents-Appellees.

## MOTION FOR EXTENSION OF TIME

Come now appellants by their attorneys and move the Court to grant an extension of time to July 20, 1962, for the filing of their brief in apposition to the motion of appellees for rehearing, and brief in support thereof.

ATWOOD & MALCHE P. O. Drawer 700 Roswell, New Mexico

HERVEY, DOW & HINKLE P. O. Box 547 Roswell. New Mexico

KELLAHIN & FOX

P. O. Box 1713
Santa Pe, New Mexico

Granted 7/5/62
David W. Carmody
Justice

ATTORNEYS FOR PETITIONERS-APPELLANTS

CONTINENTAL OIL COMPANY, AMERADA PETROLEUM CORPORATION, PAN AMERICAN PETROLEUM CORPORATION, SHELL OIL COMPANY, THE ATLANTIC REFINING COMPANY, STANDARD OIL COMPANY OF TEXAS, and HUMBLE OIL & REFINING COMPANY.

Petitioners-Appellants and Cross-Appellees,

VS.

No. 6 6 3 0

OIL CONSERVATION COMMISSION,

Respondent-Appellee and Cross-Appellant,

TEXAS PACIFIC COAL & OIL COMPANY, a Foreign Corporation; EL PASO NATURAL GAS COMPANY, a Foreign Corporation; PERMIAN BASIN PIPELINE COMPANY, a Foreign Corporation; and SOUTHERN UNION GAS COMPANY, a Foreign Corporation,

Respondents-Appellees.

#### CERTIFICATE OF SERVICE

I certify that a copy of Motion for Extension of Time and a copy of Order granting extension of time to \_\_\_\_\_\_\_\_, 1962, was mailed this 5th day of July, 1962, to opposing counsel of record as follows:

Richard S. Morris
Oliver E. Payne
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Jack M. Campbell Campbell & Russell P. O. Box 721 Roswell, New Mexico

Ray C. Cowan Cowan & Leach P. O. Box 1526 Hobbs, New Mexico

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Manuel A. Sanchez Batts Building Santa Fe, New Mexico

Ву

JASON W. KELLAHIN Kellahin & Fox P. O. Box 1713 Santa Fe, New Mexico

One of the Attorneys for Petitioners-Appellants and Cross-Appellees.

CONTINENTAL OIL COMPANY, AMERADA PETROLEUM CORPORATION, PAN AMERICAN PETROLEUM CORPORATION, SHELL OIL COMPANY, THE ATLANTIC REFINING COMPANY, STANDARD OIL COMPANY OF TEXAS, and HUMBLE OIL & REFINING COMPANY,

Petitioners-Appellants,

vs.

No. 6830

OIL CONSERVATION COMMISSION,
TEXAS PACIFIC COAL & OIL COMPANY, EL PASO
NATURAL GAS COMPANY, PERMIAN BASIN PIPELINE COMPANY, and SOUTHERN UNION GAS
COMPANY,

Respondents-Appellees.

#### MOTION FOR REHEARING

Come now the appellees by their attorneys and move the Court pursuant to Rule 18 of the Rules of the Supreme Court of New Mexico for rehearing in the subject cause.

As grounds for rehearing, appellees contend that the opinion of the Court is erroneous in failing to remand the matter to the Oil Conservation Commission to determine whether, on the present state of the record, findings properly can be made in accordance with the decision of the Court.

Respectfully submitted,

EARL E. HARTLEY, Attorney General RICHARD S. MORRIS, Special Assistant Attorney General Attorneys for Appellee Oil Conservation Commission

CAMPBELL & RUSSELL Roswell, New Mexico Attorneys for Appellee Texas Pacific Coal & Oil Company RAY C. COWAN
Hobbs, New Mexico
HARDIE, GRAMBLING, SIMS &
GALATZAN, El Paso, Texas
Attorneys for Appellee
El Paso Natural Gas Company

ROBERT W. WARD Lovington, New Mexico Attorney for Appellee Permian Basin Pipeline Company

BY

CONTINENTAL OIL COMPANY, AMERADA PETROLEUM CORPORATION, PAN AMERICAN PETROLEUM CORPORATION, SHELL OIL COMPANY, THE ATLANTIC REFINING COMPANY, STANDARD OIL COMPANY OF TEXAS, and HUMBLE OIL & REFINING COMPANY,

Petitioners-Appellants,

vs.

No. 6830

OIL CONSERVATION COMMISSION,
TEXAS PACIFIC COAL & OIL COMPANY, EL PASO
NATURAL GAS COMPANY, PERMIAN BASIN PIPELINE COMPANY, and SOUTHERN UNION GAS
COMPANY,

Respondents-Appellees.

#### BRIEF IN SUPPORT OF MOTION FOR REHEARING

The subject case, as the Court has noted, is the first appeal from an order of the Oil Conservation Commission and is a matter of great importance to the oil and gas industry in this state. The record before the Commission, taken from time to time over a period of two and one-half years, is voluminous and is replete with evidence of a technical nature fully supporting every aspect of the case.

The Court has not ruled on the sufficiency of the evidence in the record before the Commission to support the requisite findings. If, on the present state of the Commission's record, there is enough evidence concerning the recoverable gas reserves in the Jalmat Gas Pool to support findings in accordance with the Court's opinion, the Commission should be permitted to correct its error by making proper findings and entering a new order changing the allocation formula. The Commission would not be precluded from

considering the matter upon a new application to change the formula, but further proceedings would be unnecessary if the present record were adequate to accomplish this purpose. If the present record does not contain sufficient evidence concerning recoverable gas reserves to justify findings which would be a proper basis for changing the allocation formula, the Commission should be permitted the opportunity to so find.

In urging this proposition to the Court, appellees are not unmindful of the holding in <a href="State v. Carmody">State v. Carmody</a>, 53 N.M. 367, 208 P.2d 1073 (1949), that absent constitutional or statutory authority a reviewing court cannot remand a case to an administrative body for the taking of further evidence. Appellees, however, are not requesting that the matter be remanded to the Commission for the taking of further evidence, but only for further consideration with respect to the form of findings which the Court has held the Commission must make.

A reviewing court has the inherent power to remand a case to an inferior court for findings on a material issue of fact if the remand might change the result of the case.

Smith v. South, 59 N.M. 312, 283 P.2d 1073 (1955); Prater v.

Holloway, 49 N.M. 353, 164 P.2d 378 (1945). And it has been held that even where there is no statutory or constitutional authority for a reviewing court to remand a case to an administrative agency, such authority may be implied. Gauthier v.

Penobscot Chemical Fiber Company, 120 Me. 73, 113 A. 28 (1921).

Appellees submit that the Supreme Court has the inherent or implied authority to remand this matter to the Commission for further consideration in accordance with the Court's opinion, and that such disposition should be made of

this matter in order to afford the Commission the opportunity to change the allocation formula if the evidence so warrants.

Respectfully submitted,

EARL E. HARTLEY, Attorney General RICHARD S. MORRIS, Special Assistant Attorney General Attorneys for Appellee Oil Conservation Commission

CAMPBELL & RUSSELL Roswell, New Mexico Attorneys for Appellee Texas Pacific Coal & Oil Company

RAY C. COWAN
Hobbs, New Mexico
HARDIE, GRAMBLING, SIMS & GALATZAN
El Paso, Texas
Attorneys for Appellee El Paso
Natural Gas Company

ROBERT W. WARD Lovington, New Mexico Attorney for Appellee Permian Basin Pipeline Company

BY	
	RICHARD S. MORRIS
	Special Assistant
	Attorney General

CONTINENTAL OIL COMPANY, AMERICA PETROLEUS CORPORA-CORPORATION, DAN AMERICAN PETROLEUS CORPORA-TION, SHELL OIL COMPANY, THE ATLANTIC RE-FINING COMPANY, STANDARD OIL COMPANY OF TEXAS, AND MUNDLE OIL & REFINING COMPANY.

## Petitioners-Appellants,

VS.

Mo. 6839

OIL COMMERVATION COMMISSION, TEXAS PACIFIC COAL & OIL COMPANT, BL PASC MATERAL GAS COMPANT, PERMIAN BASIS PIPE-LINE COMPANY, and SOUTHERN UNION GAS COMPANY,

Respondents-Appellees.

#### SERVICE TO BEAUTIME.

I certify that a copy of the Motion for Rehearing and Brief in support of Motion for Rehearing was mailed this 2nd day of July, 1962, to the following:

Atwood & Malone P. C. Drawer 700 Roswell, New Mexico

Hervey, Now & Hinkle F. D. Box 10 Rogwell, New Maxico

Fellahin & fox F. O. Box 1713 Santa Fe, New Moxico

Attorneys for Appellants.

RICEARD 5. MORRIS Special Assistant Attorney General