

Case No.

425

Application, Transcript,
Small Exhibits, Etc.

CASE 425: Greenbrier Oil Co. application
for exception to Order 799 - on 280-acre
unit Mesaverde test in 25-31N-12W, SJ County

OFFICE OF THE
CLERK OF THE DISTRICT COURT
ALBUQUERQUE, NEW MEXICO

TRANSMISSION OF DEEDS

PAGE NO. 425

November 22, 1952

E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1303
PHONES 5-9422 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

NOVEMBER 20, 1952

In the Matter of:

Greenbrier Oil Company's application for
exception to Order 799, as amended by
Order R-110, to permit drilling of a
Mesaverde test on unit embracing 280
acres in 23-31N-12W, San Juan County,
New Mexico.

Case No. 425

(Notice of Publication read by Mr. Graham.)

MR. HUNKER: I am George Hunker, representing Greenbrier
Oil Company. I have a few questions I would like to ask Mr.
Abrams.

R. Q. ABRAMS

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. HUNKER:

Q Will you state your name and occupation?

A My name is R. Q. Abrams, land man for Greenbrier Oil
Company.

Q How long have you been employed by Greenbrier?

A A little over a year.

Q By whom were you employed prior to that time?

A Phillips Petroleum Company.

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9545 AND 5-9546
ALBUQUERQUE, NEW MEXICO

Q As a land man?

A As a land man.

Q Does the Greenbrier Oil Company have a blanket bond on file with the Oil Conservation Commission?

A They do.

Q What is your address?

A 327 South Adams, in Port Worth, Texas.

Q Do you hold an oil and gas lease covering certain fee lands up in Township 31 North, Range 12 West?

A We do.

Q What is the description of that acreage?

A It is the Northeast Quarter and the North Half of the Southeast and the Southwest of the Southeast of Section 23 and the Northwest of the Northwest of the Northwest of Section 24, containing 320 acres more or less in 31 North, 12 West.

Q From whom did you acquire that lease?

A Tom Bolack.

Q From whom had Tom Bolack acquired the lease?

A Mrs. Sarah Hedges. It is fee land.

Q Did Bolack reserve any production payment or over-riding royalty?

A He did reserve a five percent over-riding royalty.

Q To the best of your knowledge will you tell the Commission who owns acreage adjoining this particular fee lease of yours?

A The Aztec Oil Company, Oil and Gas Company own all of the adjacent lands which are federal lands. They hold oil and

gas leases and have some wells.

Q Have they made any representations to you as to whether or not their acreage carried an over-riding royalty or not?

A Yes, they have, their acreage has no over-ride on it.

Q Or production payment?

A Or production payment.

Q Did you suggest to Aztec Oil and Gas Company that a trade be worked out so that you could develop this acreage on a 320 acre rectangular drilling location?

A I did. I talked with Mr. Davis of Aztec Oil Company.

Q Did he express an opinion with regard to a trade?

A He expressed the opinion that he did not want to get any of the fee land into Aztec's federal lands and would go along with us on our unorthodox unit.

Q If Aztec Oil and Gas Company should ask for an unorthodox unit, which would be necessary in view of the request that you have made to the Commission, would you make any objection to their unorthodox - --

A (Interrupting) No, we would not.

Q (Continuing) - - unit? Are the lands owned by Greenbrier in a designated pool at the present time?

A They are in the LaPlata-Mesaverde Pool at the present time. However, the Blanco-Mesaverde Pool, I am told, is coming up and it seems as if they are going to join.

Q With regard to the wells that have been drilled in the LaPlata Pool what spacing pattern has been followed?

A They have been on the Northwest and Southeast Quarters of the Sections. The spacing patterns and Aztec has drilled one well in the Northwest Quarter of Section 23. They have one in the Southeast Quarter of Section 14 adjoining us on the north.

Q Upon what pattern has the Blanco field been developed?

A It has been developed on the northeast and southwest pattern.

Q Do you think that there will be any material conflict here in the pattern between your proposed development and the development that will come up to meet your well from the Blanco area?

A No, I do not.

MR. HUNKER: I would like to ask the Commission to introduce in evidence a letter which is in the file from the Aztec Oil and Gas company.

Q Mr. Abrams, I would like for you to identify this letter that I hand you now. Tell the Commission what it is.

A This is a letter from Aztec Oil and Gas Company, signed by Mr. Van Thompson. It is very short, I will read it. It is addressed to Greenbrier, Fort Worth, Texas. "Gentlemen: You have advised that you propose to apply for approval of an unorthodox drilling unit embracing the NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23 and NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 24, Township 31 North, Range 12 West, NMPM San Juan County, New Mexico, for the purpose of drilling a well to test the Mesa Verde formation. It is our understanding that the above lands are patented and are now

owned by Mrs. Sarah Hodges.

Aztec Oil and Gas Company now owns or hold options, operating or other contractual rights covering all lands immediately surrounding the above proposed unit. In view of the circumstances, the Company does not have any objection to the approval of the unorthodox drilling unit in the instant case. Yours very truly, Aztec Oil and Gas Company, by Mr. Van Thompson".

Q Mr. Abrams, your original application was filed for a 280 acre unit, you now have filed an amended application and I presume that it is your desire to have the amended application acted upon by the Commission, is that true?

A That is right.

MR. HUNKER: Would the Commission care to bring Mr. Abrams out on this point as to why he filed the amended application?

MR. SPURRIER: Please.

MR. HUNKER: The original application as filed with the Commission embraced 280 acres but on the consent that the Aztec Oil Company gave the Greenbrier - - it was for the 320 acre unit. It was merely through a misunderstanding that the original application was filed for a 280 acre unit instead of a 320 acre unit. I would like for Mr. Abrams to tell the Commission specifically why the amended application was filed.

A The amended application takes in the Northwest Quarter of Section 24 into our unit to make us a full 320. In the Southeast of the Southeast of 23 it belongs to Aztec and we propose

to grant at this hearing their - - if there are no objections when they come up for hearing on their unorthodox location. It was through misunderstanding by telephone with Mr. Hoy who filed our original petition that he only asked for the 280 acre unit and therefore we will have 40 acres that would not be of any use to anybody. We would be only getting allowables for 280 and we need the 40 in too to properly protect our royalty owner.

MR. HUNKER: That is all I have of this witness.

MR. SPURRIER: Any questions of this witness?

MR. HUNKER: If the Commission please I would like to state for the record that in the original advertisement the Commission's notice indicated that the unit would be 280 acres whereas the amended petition which was filed on Monday or Tuesday of this week requests a 320 acre unorthodox drilling unit and in this connection we will procure for the Commission the waiver of the Aztec Oil and Gas Company to the usual ten day notice together with their consent to the amended petition which we have filed in this particular case.

MR. MACEY: Mr. Hunker, their agreement or their waiver covers the 320?

MR. HUNKER: It covers the 320, that is correct. They were right but the original attorney who prepared the petition was in error in describing merely 280 acres instead of the 320 acres that the Greenbrier Oil Company desired to have included in the unit.

MR. MACEY: You're going to ask him to do something

that they have already done.

MR. HUNKER: Well, we will want them to waive the customary ten day notice. We have sent them a copy of the petition and they have been called about it and they have no objection to it and we will get their waiver to the ten day notice requirement as prescribed by the regulations.

MR. SPURRIER: Any other question of this witness? If not the witness may be excused. We will take the case under advisement.

(Witness excused.)

We will recess until 1:30 p.m.

(Recess)

STATE OF NEW MEXICO)
:
COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Case No. 425 before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on November 20, 1952, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 29th day of November, 1952.


REPORTER

E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1303
PHONES 5-9422 AND 5-9546
ALBUQUERQUE, NEW MEXICO

AZTEC OIL & GAS COMPANY

BURT BUILDING

DALLAS 1, TEXAS

November 25, 1952

23
HWM

Re: H-178 and M-39
Hedges Lease, San
Juan County, New
Mexico - Case
Number 425

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Attention: Mr. Wm. A. Macey

Gentlemen:

There is enclosed, in triplicate, waiver of Notice and
Consent to Unorthodox drilling unit executed by Aztec
Oil & Gas Company in connection with the above numbered
case. We respectfully request that Greenbrier's request
for the unorthodox unit be granted.

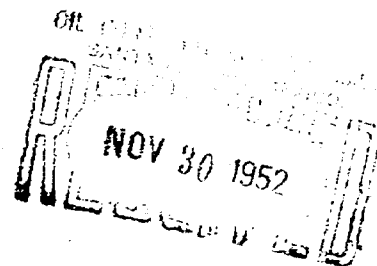
Very truly yours,

H. W. McDade
H. W. McDade, Manager
Land and Lease Department

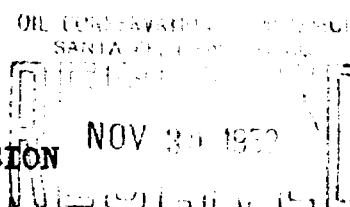
HWM/jt

Enc.

cc: Mr. Van Thompson
Mr. R. Q. Abrams



BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO



IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

Case No. 425

THE APPLICATION OF GREENBRIER OIL COMPANY FOR
PERMISSION TO DRILL ON UNORTHODOX
DRILLING UNIT

WAIVER OF NOTICE AND CONSENT TO UNORTHODOX
DRILLING UNIT

Comes now Aztec Oil and Gas Company and in connection
with the above described matter states:

1. That Greenbrier Oil Company furnished Aztec Oil and
Gas Company with a copy of its petition and a copy of its
amended petition addressed to the Oil Conservation Commission
in which the said Greenbrier Oil Company requested permission
to drill on unorthodox drilling unit covering the following
described land situated in San Juan County, New Mexico, to-wit:

T. 31 N., R. 12 W., N.M.P.M.,
Sec. 23: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$;
24: NW $\frac{1}{4}$ NW $\frac{1}{4}$,
containing 320 acres, more or less.

2. That the undersigned owns and holds option agreements,
operating agreements or leasehold rights on all of the lands
adjacent to and surrounding the lands hereinabove described,
and does by these presents consent to the granting of the
amended petition of the petitioner, Greenbrier Oil Company, for
an unorthodox drilling unit embracing the lands hereinabove
described.

3. The undersigned, Aztec Oil and Gas Company, hereby
waives the ten day written notice which is required to be given
by the Commission and agrees that the Commission may proceed
to grant the application of the petitioner without further
notice to the undersigned.

Respectfully submitted,
AZTEC OIL AND GAS COMPANY

By: J. C. [Signature] [Signature]

vice Pres.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

NOV 30 1934
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

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24: NW $\frac{1}{4}$ NW $\frac{1}{4}$,
containing 320 acres, more or less.

2. That the undersigned owns and holds option agreements,
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adjacent to and surrounding the lands hereinabove described,
and does by these presents consent to the granting of the
amended petition of the petitioner, Greenbrier Oil Company, for
an unorthodox drilling unit embracing the lands hereinabove
described.

3. The undersigned, Aztec Oil and Gas Company, hereby
waives the ten day written notice which is required to be given
by the Commission and agrees that the Commission may proceed
to grant the application of the petitioner without further
notice to the undersigned.

Respectfully submitted,
AZTEC OIL AND GAS COMPANY

By: J. C. Baird QBA

Vice Pres.

NOV 20 1912

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

Case No. 425

THE APPLICATION OF GREENBRIER OIL COMPANY FOR
PERMISSION TO DRILL AN UNORTHODOX
DRILLING UNIT

WAIVER OF NOTICE AND CONSENT TO UNORTHODOX
DRILLING UNIT

Comes now Aztec Oil and Gas Company and in connection
with the above described matter states:

1. That Greenbrier Oil Company furnished Aztec Oil and
Gas Company with a copy of its petition and a copy of its
amended petition addressed to the Oil Conservation Commission
in which the said Greenbrier Oil Company requested permission
to drill an unorthodox drilling unit covering the following
described land situated in San Juan County, New Mexico, to-wit:

T. 31 N., R. 12 W., N.M.P.M.,
Sec. 23: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$,
24: NW $\frac{1}{4}$ SW $\frac{1}{4}$,
containing 320 acres, more or less.

2. That the undersigned owns and holds option agreements,
operating agreements or leasehold rights on all of the lands
adjacent to and surrounding the lands hereinabove described,
and does by these presents consent to the granting of the
amended petition of the petitioner, Greenbrier Oil Company, for
an unorthodox drilling unit embracing the lands hereinabove
described.

3. The undersigned, Aztec Oil and Gas Company, hereby
waives the ten day written notice which is required to be given
by the Commission and agrees that the Commission may proceed
to grant the application of the petitioner without further
notice to the undersigned.

Respectfully submitted,
AZTEC OIL AND GAS COMPANY

By: *J. C. Baird*
Vice Pres

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 23, 1954

Mr. George H. Hunker, jr.
HERVEY, DOW AND HINKLE
First National Bank Building
ROSWELL N M

Dear Mr. Hunker:

This is to acknowledge somewhat belatedly your letter of February 8 in which you called to our attention an error in statement of Order No. R-230 issued by the Commission in Case 425 under date of December 4, 1952.

Upon receipt of your letter we checked and you were correct in noting that the description of the unorthodox unit was set forth in error. We therefore drew up our Order R-230-A correcting the error nunc pro tunc. I am sorry that we failed to notify you that the correction was in process, for Mr. Hinkle brought in your proposed correction order last week, although our order was actually being signed in the hearing at that time.

I believe this will settle the matter as you wish, and we greatly appreciate your calling the error to our attention.

Very truly yours,

W. B. Macey
Chief Engineer

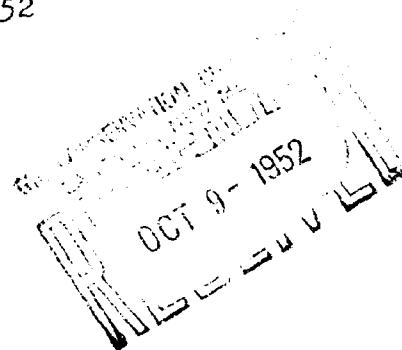
WHM:mr

cc: Mr. Clarence Hinkle

C
O
P
Y

G. W. R. Hoy
Attorney at Law
Farmington, New Mexico

October 8, 1952



Oil Conservation Commission
State Office Building
Santa Fe, New Mexico

Gentlemen:

Enclosed herewith please find petition for unorthodox unitization of land, on behalf of the Greenbrier Oil Company.

In conformity with my conversation with Mr. Spurrier yesterday, we shall attempt to get this matter fully adjusted prior to the set date for hearing on the matter. As I understand it, your next set time for hearing on this type of petition will be November 20, 1952. I shall make it a point to attend the hearing and at that time submit such additional matters as may be required for unorthodox unitization, or whatever else you may require.

I wish to express my appreciation for the consideration you have given in this matter.

Very truly yours,

G. W. R. Hoy
G., W. R. Hoy

GWRH:fr

Enc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

Case No. 425

THE APPLICATION OF GREENBRIER OIL COMPANY FOR
PERMISSION TO DRILL ON UNORTHODOX
DRILLING UNIT

P E T I T I O N

Comes now the Greenbrier Oil Company, by G. W. R. Hoy, their attorney, and makes the following application to the Oil and Gas Conservation Commission of the State of New Mexico as follows:

1. That Greenbrier Oil Company is a corporation qualified to do business in the State of New Mexico as a foreign corporation.

2. That applicant herein now owns and holds a valid and subsisting oil and gas lease embracing and covering the following described land situate in San Juan County, New Mexico, to-wit:

Twp. 31 N., R. 12 W., N.M.P.M.

Sec. 23: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$

Sec. 24: NW $\frac{1}{4}$ NW $\frac{1}{4}$

Containing 320 acres, more or less.

3. That your petitioner is informed and believes, and upon information and belief alleges that the Southern Union Gas Company owns and holds leasehold rights on all lands adjacent to the hereinabove described lands held by your petitioner under oil and gas lease.

4. That your petitioner is unable to obtain more land under lease in the E $\frac{1}{2}$ of said Sec. 23, nor in the S $\frac{1}{2}$ of said Sec. 23.

5. That the Southern Union Gas Company now has producing oil and gas wells offsetting the 280 acres hereinabove described in said Sec. 23; that attached hereto, and made a part hereof for greater certainty, is a letter from the Aztec Oil and Gas Company reciting that said company now owns and holds options, operating or contractual rights covering all of the lands immediately surrounding the said proposed operating unit, and further stating that said Aztec Oil and Gas Company has no objections to the approval of an unorthodox drilling unit on said 280 acres situate in the E $\frac{1}{2}$ of said Sec. 23, namely:

Twp. 31 N., R. 12 W., N.M.P.M.

Sec. 23: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$,
Containing 280 acres, more or less.

6. That your petitioner herein is informed and believes, and upon information and belief alleges, that a portion of the land under lease or other contractual rights held by said Aztec Oil and Gas Company is land situate in the public domain of the United States of America, and that the United States Geological Survey is an interested party in these proceedings from the standpoint of royalties which are payable or will become payable to the United States under the operations and development of said public domain land by said Aztec Oil and Gas Company.

WHEREFORE, your petitioner prays that it be granted permission to drill a well for the production of gas on said lands now held under lease by your petitioner in said Sec. 23; that said proposed well, if permission is granted by the Oil and Gas Conservation Commission, will be drilled in the center, or within ³320 feet radius thereof, of the SE $\frac{1}{4}$ of said Sec. 23.

G. W. R. Hoy
Attorney for Greenbrier Oil
Company

STATE OF COLORADO)
COUNTY OF MESA) SS

G. W. R. Hoy, of lawful age, upon his oath says:

That he verifies the foregoing petition on behalf of the Greenbrier Oil Company for the reason that said company does not have an official, nor office, in San Juan County, New Mexico.

That this affiant has read the foregoing petition and is familiar with the contents thereof; that the statements made therein are true, except as to those statements made upon information and belief, and as to those statements he believes them to be true.

Subscribed and sworn to before me this 8th day of October, 1952.

Notary Public

My commission expires:

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

October 28, 1952

C
O
P
Y

Mr. G. W. R. Hoy, Attorney
Farmington, N. M.

Dear Mr. Hoy:

The Greenbrier Oil Company case for which you made application in behalf of your client has been set for hearing on November 20, 1952, as you requested. It is scheduled as Case 425 and has been properly advertised.

The hearing is set for 9:00 a.m. on that date at Mabry Hall, State Capitol, Santa Fe, N. M.

Yours very truly,

W. B. Macey
Chief Engineer

WBM:nr

County _____ Pool _____

TOWNSHIP 31 ^N ~~South~~, RANGE 12 ^W ~~East~~, NEW MEXICO PRINCIPAL MERIDIAN

	1	2	3	4	5
6	7	8	9	10	11
12	13	14	15	16	17
18	19	20	21	22	23
24	25	26	27	28	29
30	31	32	33	34	35

G. W. R. Hoy
Attorney at Law
Farmington, New Mexico
October 9, 1952

10

Oil Conservation Commission
State Office Building
Santa Fe, New Mexico

Attention Mr. Spurrier

Gentlemen:

Unfortunately, I was not able to contact you after you had seen Mr. Arnold when you were up here. I have been unable to contact Mr. Arnold thus far to find out just what your conclusion was relative to our getting permit to drill prior to a hearing on the matter.

I have had several calls from Greenbrier relative to the matter. They are very anxious to get started at the very earliest possible moment. Please advise me whether we can get permit for them to do so.

I enclose herewith two copies of the petition which we mailed out yesterday. I take it that two copies will be sufficient inasmuch as the Aztec Oil and Gas Company and the U. S. G. S. will be the only parties involved. Should you need additional copies of this, please let me know and I shall be glad to make them up and forward them to you. I am trying to contact Mr. Arnold to learn whether you and he reached any conclusion yesterday or the day before in your conference relative to the Greenbrier matter.

Very truly yours,

G. W. R. Hoy
G. W. R. Hoy

GWRH:fr

Enc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
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THE PURPOSE OF CONSIDERING:

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PERMISSION TO DRILL ON UNORTHODOX
DRILLING UNIT

A M E N D E D P E T I T I O N

Comes now the Greenbrier Oil Company, by R. Q. Abrams, their landman,
and makes the following application to the Oil and Gas Conservation Commission
of the State of New Mexico as follows:

1. That Greenbrier Oil Company is a partnership and has filed blanket
bonds covering its operation in the State of New Mexico. That applicant may
be addressed at 327 South Adams Street, Fort Worth, Texas.

2. That applicant herein now owns and holds a valid and subsisting
oil and gas lease embracing and covering the following described land
situate in San Juan County, New Mexico, to-wit:

Twp. 31 N., R. 12W., N.M.P.M.

Sec. 23; NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$

Sec. 24; NW $\frac{1}{4}$ NW $\frac{1}{4}$

Containing 320 acres, more or less.

3. That your petitioner is informed and believes, and upon information
and belief alleges that the Aztec Oil & Gas Company, Burt Building, Dallas,
Texas, owns and holds leasehold rights on all lands adjacent to and surround-
ing the hereinabove described lands held by your petitioner under oil and gas
lease.

4. That your petitioner is unable to obtain more land under lease in
the E $\frac{1}{2}$ of said Sec. 23, nor in the S $\frac{1}{2}$ of said Sec. 23.

5. That the Aztec Oil & Gas Company now has a producing gas well located 990' from the North and West lines of Sec. 23, Twp. 31 N., R. 12 W., N.M.P.M., offsetting the 320 acres hereinabove described; that attached hereto, and made a part hereof, is a letter from the Aztec Oil & Gas Company reciting that said company now owns and holds options, operating or contractual rights covering all of the lands immediately surrounding the said proposed operating unit, and further stating that said Aztec Oil & Gas Company has no objections to the approval of an unorthodox drilling unit consisting of said 320 acres described as follows:

Twp. 31 N., R. 12 W., N.M.P.M.

Sec. 23: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$,

Sec. 24: NW $\frac{1}{4}$ NW $\frac{1}{4}$,

Containing 320 acres, more or less.

6. That your petitioner herein is informed and believes, and upon information and belief alleges, that a portion of the land under lease or other contractual rights held by said Aztec Oil & Gas Company is land situate in the public domain of the United States of America, and that the United States Geological Survey is an interested party in these proceedings from the standpoint of royalties which are payable or will become payable to the United States under the operations and development of said public domain land by said Aztec Oil & Gas Company.

7. That the above described lands are adjacent to lands originally designated as being a part of the La Plata (Mesaverde) Pool. That the gas wells completed in said pool have been completed on a 320 acre spacing pattern and were drilled in the Northwest and Southeast quarters of the sections comprising the pool.

8. That the granting of an order authorizing the proposed unorthodox drilling unit will be in the interest of conservation, will prevent waste, and will protect the correlative rights of interested parties in the area surrounding said unit.

9. That there is attached hereto a plat showing to scale the property

on which their exception is sought and accurately showing all other completed drilling and permitted wells on this property and all adjoining surrounding properties.

WHEREFORE, your petitioner prays that it be granted permission to drill and complete a well for the production of gas on said lands now held under lease by your petitioner; that said well, if permission is granted by the Oil and Gas Conservation Commission, will be drilled 1650' from the South and 990' from the East lines of Sec. 23, Twp. 31 N., R. 12 W., N.M.P.M.

R. Q. Abrams

R. Q. Abrams
Landman, Greenbrier Oil Company

STATE OF ^{New Mexico} ~~TEXAS~~)
COUNTY OF ^{Santa Fe} ~~TARRANT~~) SS

R. Q. Abrams, of lawful age, upon his oath says:

That this affiant has read the foregoing petition and is familiar with the contents thereof; that the statements made therein are true, except as to those statements made upon information and belief, and as to those statements he believes them to be true.

R. Q. Abrams

Subscribed and sworn to before me this 14th day of November, 1952.

Ida Rodriguez
Notary Public in and for
~~Tarrant~~ County, ~~Texas~~
SANTA FE N.M.

My commission expires:

June 1, 1953 11-22-53

Aztec Oil & Gas Co.

15

Aztec Oil & Gas Co.

R 12 W

Aztec
East No. 1
550 NL - 1650 WL

Aztec
Harp
*

Aztec Oil & Gas Co.

22

Aztec Oil & Gas Co.

Greenbrier Oil Comp
5-12-55
H-178

No. 3
Aztec
East No. 2

Aztec
East No. 2
*

T 31 N

160 ac.
Sarah Meyers Neds

Greenbrier Oil Comp
5-12-55

14	<p>Aztec O. & G. Co.</p> <p>Aztec No. 5 Greener 1650 Wt 990 Nt 1650 Wt</p> <p>Aztec Greener No. 3</p>	23	24	19	18
<p>Greenbrier 9-12-55 H-1176</p> <p>40 ac. Sarah M. Hedges</p>		<p>Aztec</p>	<p>Oil & Gas Company</p>	<p>Aztec Oil & Gas Company</p>	
<p>1</p>	<p>R 11 W</p> <p>T 31 N</p>				

Artec

120 ac.
Sarah M. Hodges

Artec Oil & Gas Company

27

Artec Oil & Gas Company

Artec Oil & Gas Company

O & G Co.

26

Astoria Oil & Gas Company

25

30

GREENBRIER OIL COMPANY
FORT WORTH, TEXAS
HEDGES LEASE
SAN JUAN CO., NEW MEXICO

SCALE 1" = 660'

H-178

Aztec Oil & Gas Co.

R 12 W

14

Aztec
East No. 1
990' NL - 1650' WL

Aztec
Harper No. 1



Aztec
Greiner No. 5
990' NL - 1650' WL

Aztec O. & G. Co.

Aztec
East No. 2



Greenbrier Oil Company
9-12-55
H-178

23

Greenbrier
9-12-55
H-178

40 ac.
Sarah M. Hedges

160 ac.
Sarah Meyers Hedges

Greenbrier Oil Company
9-12-55
H-178

01

Aztec O. & G. Co.

120 ac.
Sarah M. Hedges

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

November 10, 1952

C
O
P
Y

Mr. G. W. R. Hoy
Attorney
Farmington, New Mexico

Re: Unorthodox unitization of NE/4,
N/2 SE/4, SW/4 SE/4, Sec. 23,
and NW/4 NW/4 Sec. 24, all in
Township 31-N, Range 12-W,
NMPM, San Juan County, New
Mexico.

Dear Sir:

In reply to your letter of October 29, 1952, regarding the
above captioned unitization.

Since, as you state, all interested parties are in favor of
this unorthodox unitization, there will not be any necessity to
introduce a great deal of evidence into the hearing.

Very truly yours,

R. R. Spurrier
Secretary - Director

lh

G. W. R. HOY

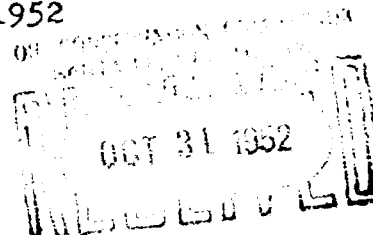
XXXXXXXXXX

G. W. R. Hoy
~~XXXXXXXXXXXXXXXXXXXX~~

ATTORNEYS AT LAW

FARMINGTON, NEW MEXICO

October 29, 1952



Mr. R. R. Spurrier
Oil and Gas Conservation Commission
State Office Building
Santa Fe, New Mexico

Dear Mr. Spurrier:

Enclosed herewith please find original and two copies of the letter from Mr. Van Thompson addressed to the Greenbrier Oil Company, giving the consent of that company to the unorthodox unitization of NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 23, and NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 24, Township 31 North, Range 12 West, N.M.P.M.

It occurred to me that possibly you would want to serve a copy of this letter on the U.S.G.S. and I enclose an additional copy for any other party who might be interested in the matter.

I have gone somewhat into the suggestion that there be assignments from the Aztec Oil and Gas Company of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23 to Greenbrier Company, and assignment by Greenbrier Company to Aztec Oil and Gas Company of the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 24 with proper exchange of assignment paid the two companies on the over-riding royalty which Mr. Bolack now has on the NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 24. The question has been raised on the fact that such an arrangement might involve considerable book work in having the 40 acre government land in with the E $\frac{1}{2}$ of Section 23, and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 24 in with the W $\frac{1}{2}$ of Section 24. But for the continuous book work involved with splitting the royalties that might work out quite well, but it also might be disadvantageous as to deeper sands.

Inasmuch as all of the interested parties are in favor of the unorthodox unitization, it occurred to me that possibly it would not be necessary for us to be prepared to introduce but very little evidence before your commission at the hearing on November 20. Your reaction to that particular phase of the matter will be appreciated, so that I can be prepared to introduce whatever evidence might be required or desired by the commission in connection with this. Naturally, I want to take up as little time of the commission as is acceptable to the commission.

Very truly yours,


G. W. R. Hoy

GWRH:fr

Enc.

AZTEC OIL & GAS COMPANY

BURT BUILDING

DALLAS 1, TEXAS

September 30, 1952

Greenbrier Oil Company
Fort Worth, Texas

Gentlemen:

You have advised that you propose to apply for approval of an unorthodox drilling unit embracing the $NE\frac{1}{4}$, $N\frac{1}{2}SE\frac{1}{4}$, and the $SW\frac{1}{4}SE\frac{1}{4}$ of Section 23 and the $NW\frac{1}{4}NW\frac{1}{4}$ of Section 24, Township 31 North, Range 12 West, N.M.P.M., San Juan County, New Mexico, for the purpose of drilling a well to test the Mesaverde formation. It is our understanding that the above lands are patented and are now owned by Mrs. Sara Hedges.

Aztec Oil & Gas Company now owns or holds options, operating or other contractual rights covering all lands immediately surrounding the above proposed unit. In view of the circumstances, the Company does not have any objection to the approval of the unorthodox drilling unit in the instant case.

Yours very truly,

AZTEC OIL & GAS COMPANY

By Claw Thompson
Van Thompson

QPN

VT:QBD:NL

A Z T E C O I L & G A S C O M P A N Y

BURT BUILDING
DALLAS 1, TEXAS

September 30, 1952

COPY

Greenbrier Oil Company
Fort Worth, Texas

Gentlemen:

You have advised that you propose to apply for approval of an unorthodox drilling unit embracing the NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23 and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 24, Township 31 North, Range 12 West, N.M.P.M., San Juan County, New Mexico, for the purpose of drilling a well to test the Mesa-verde formation. It is our understanding that the above lands are patented and are now owned by Mrs. Sarah Hedges.

Aztec Oil & Gas Company now owns or holds options, operating or other contractual rights covering all lands immediately surrounding the above proposed unit. In view of the circumstances, the Company does not have any objection to the approval of the unorthodox drilling unit in the instant case.

Yours very truly,

AZTEC OIL & GAS COMPANY

By s/Van Thompson
Van Thompson

VT:QBD:NL

AZTEC OIL & GAS COMPANY

BURT BUILDING
DALLAS 1, TEXAS

September 30, 1952

COPY

Greenbrier Oil Company
Fort Worth, Texas

Gentlemen:

You have advised that you propose to apply for approval of an unorthodox drilling unit embracing the NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23 and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 24, Township 31 North, Range 12 West, N.M.P.M., San Juan County, New Mexico, for the purpose of drilling a well to test the Mesa-verde formation. It is our understanding that the above lands are patented and are now owned by Mrs. Sarah Hedges.

Aztec Oil & Gas Company now owns or holds options, operating or other contractual rights covering all lands immediately surrounding the above proposed unit. In view of the circumstances, the Company does not have any objection to the approval of the unorthodox drilling unit in the instant case.

Yours very truly,

AZTEC OIL & GAS COMPANY

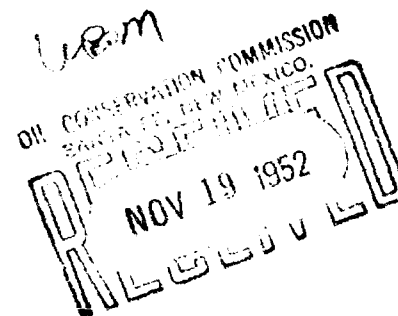
By s/Van Thompson
Van Thompson

VT:QBD:NL

GENERAL OFFICES
622 HAMM BLDG.
ST. PAUL 2, MINN.

GREENBRIER OIL COMPANY
THE COLONIAL BUILDING
327 SOUTH ADAMS STREET
FORT WORTH 4, TEXAS

November 17, 1952



Oil Conservation Commission
State Capitol Building
Santa Fe, New Mexico

Attention: Mr. Macey

Re: H-178 and M-39, Hedges Lease
San Juan County, New Mexico
Case No. 425

Gentlemen:

First, let me say I enjoyed my short visit with you last week very much. I was certainly well impressed with the efficiency of your office.

I am enclosing herewith original and 2 copies of Amended Petition with plat attached in regard to our case No. 425, the application of Greenbrier Oil Company for permission to drill on unorthodox drilling unit.

Either myself or Mr. E. S. Lougee, our manager, or both of us, will be in Santa Fe for the hearing on Thursday.

Very truly yours,

GREENBRIER OIL COMPANY

RQA/mm
Encls.

cc: R. W. Anderson
R. S. Hazel
W. N. Trenerry
George Hunker
E. W. R. Hoy
Southern Union Gas Co.

By

R. Q. Abrams
R. Q. Abrams

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 425
ORDER NO. R-230

THE APPLICATION OF GREENBRIER
OIL COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION TO ORDER
NO. 799, AS AMENDED BY ORDER NO.
R-110, TO PERMIT THE DRILLING OF A
WELL TO TEST THE MESAVERDE
FORMATION ON A DRILLING UNIT OF 320
ACRES OF WHICH 280 ACRES LIE IN
SECTION 23, AND 40 ACRES IN SECTION
24, ALL IN TOWNSHIP 31 NORTH, RANGE
12, WEST, NMPM, SAN JUAN COUNTY, NEW
MEXICO IN THE BLANCO-MESAVERDE POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., on November 20, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 4th day of December, 1952, the Commission, a quorum being present, having considered the records and the testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of the case and the persons and subject matter thereof.

(2) That applicant is the owner of an oil and gas lease covering the following described land in San Juan County, New Mexico:

Township 31 North, Range 12 West, NMPM
Section 23: NE/4, N/2 SE/4, SW/4 SE/4;
Section 24: NW/4 NW/4,

containing 320 acres, more or less.

(3) That under the provisions of Order No. 799, as amended by Order No. R-110, the Commission provided that all wells drilled in the Blanco-Mesaverde Pool shall be located on a designated drilling unit of 320 acres, said drilling unit being in the form of a rectangle and being north half, south half, east half or west half of a section.

(4) That Aztec Oil and Gas Company owns or holds options, operating or other contractual rights surrounding the above proposed unit and has no objections to the approval of the unorthodox drilling unit.

(5) That approval of this unorthodox drilling unit is in the interest of conservation, will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Greenbrier Oil Company for approval of an unorthodox drilling unit be, and it hereby is approved.

(2) That the unorthodox drilling unit shall comprise the following described acreage in San Juan County, New Mexico, in the Blanco-Mesaverde Pool:

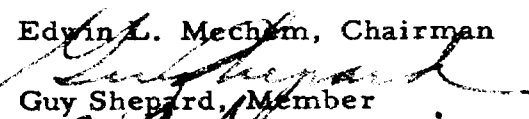
Township 31 North, Range 12 West, NMPM
Section 23: N/2, N/2 SE/4, SW/4 SE/4;
Section 24: NW/4 NW/4.

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

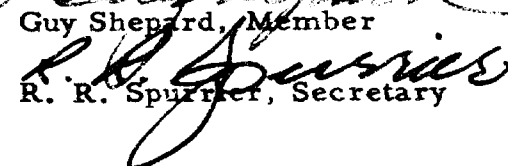
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



Edwin L. Mecham, Chairman



Guy Shepard, Member



R. R. Spurrer, Secretary

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

December 5, 1952

C
O
P
Y

Greenbrier Oil Company
Colonial Building
327 South Adams Street
Fort Worth 4 - Texas

Attention: Mr. R. Q. Abrams

Gentlemen:

We attach two signed copies of Order R-230 issued by the
Commission in Case 425, which was heard on November 20.

Yours very truly,

W. B. Macey
Chief Engineer

WBM:mr
Encl.

OIL CONSERVATION COMMISSION
LONG DISTANCE PHONE CALLS

Date _____

Person _____

Phone No. _____

Place _____

To

Person _____

Place _____

Subject _____

Mr. Hunker is right, for the error is
carried in the original signed order as
indicated. Shall nunc pro tunc be issued?

28-1 11-11-11
11-11-11
11-11-11

Order

J. M. HERVEY 1874-1953
HIRAM M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.
WILLIAM C. SCHAUER
HOWARD C. BRATTON
S. B. CHRISTY IV

LAW OFFICES
HERVEY, DOW & HINKLE
FIRST NATIONAL BANK BUILDING
ROSSELL, NEW MEXICO

February 8, 1954

TELEPHONE 2160
L. O. 3

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

Re: Order No. R-230
Case No. 425
(Our File Nos. H-178,
M-379, Hedges Lease)

Dear Mr. Spurrier:

On December 4, 1952 the Oil Conservation Commission of the State of New Mexico issued its order approving an unorthodox drilling unit of 320 acres in the Blanco-Mesaverde Pool. In the findings of the Commission under paragraph No. 2 the lands in the unorthodox unit are described as being in San Juan County, New Mexico, as follows:

-----Twp. 31N., Rge. 12W., N.M.P.M.,
Sec. 23: $NE\frac{1}{4}$, $N\frac{1}{2}SE\frac{1}{4}$, $SW\frac{1}{4}SE\frac{1}{4}$;
Sec. 24: $NW\frac{1}{4}NW\frac{1}{4}$.-----

In the Now Therefore part of the Order itself the lands are described as follows:

-----Twp. 31N., Rge. 12W.,
Sec. 23: $N\frac{1}{2}$, $N\frac{1}{2}SE\frac{1}{4}$, $SW\frac{1}{4}SE\frac{1}{4}$;
Sec. 24: $NW\frac{1}{4}NW\frac{1}{4}$.-----

The amended Application for Relief and all of the Consents which were obtained clearly show that the lands in Section 23 should have been described as the $NE\frac{1}{4}$ rather than the $N\frac{1}{2}$. We would like to obtain a correction of the inadvertent clerical error which appears in the Order and we are wondering what action, if any, is required on our part to accomplish these ends. Should you desire that we file a formal Application we will be glad to so do. If the Order of the Commission may be corrected on its own motion we would appreciate your taking this action and naturally, we would like for you to send us a copy of the Order. The Unit is now productive of gas and some delay is being encountered due to the error and we would appreciate your early attention.

With best personal regards, we remain

Sincerely yours,

GPH:is

cc: Mr. R. S. Hazel
Saint Paul 2, Minnesota
cc: Mr. R. W. Anderson
Greenbrier Oil Co.
Saint Paul 2, Minnesota
cc: Mr. R. G. Abrams, Fort Worth, Texas

HERVEY, DOW & HINKLE

George H. Hunker, Jr.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 425

ORDER NO. _____

THE APPLICATION OF GREENERIER
OIL COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION TO ORDER
NO. 799, AS AMENDED BY ORDER NO.
R-110, TO PERMIT THE DRILLING OF A
WELL TO TEST THE MESAVERDE
FORMATION ON A DRILLING UNIT OF 320
ACRES OF WHICH 260 ACRES LIE IN
SECTION 23, AND 40 ACRES IN SECTION
24, ALL IN TOWNSHIP 31 NORTH, RANGE
12, WEST, NMPM, SAN JUAN COUNTY, NEW
MEXICO IN THE BLANCO-MESAVERDE POOL

NUNC PRO TUNC ORDER OF COMMISSION

BY THE COMMISSION:

This matter having come on for hearing by the Commission on its own
Motion on March 18, 1954, before the Oil Conservation Commission, hereinafter
referred to as the "Commission".

NOW, on this _____ day of March, 1954, the Commission, a quorum being
present, having considered the records and being fully advised in the premises,

FINDS:

(1) That heretofore and on December 4, 1952, the Commission entered
an Order No. R-230 wherein the Commission authorized an unorthodox drilling
unit comprising the following described acreage in San Juan County, New
Mexico in the Blanco-Mesaverde Pool:

Township 31 North, Range 12 West, NMPM
Section:23: N/2, N/2 SE/4, SW/4 SE/4;
Section 24: NW/4 NW/4; and

(2) The Commission finds that a typographical error was made in the
description contained in said order; and

(3) The Commission is desirous of entering into an order correcting
Order No. R-230 nunc pro tunc.

IT IS THEREFORE ORDERED:

(1) That the unorthodox drilling unit described in Case No. 425,
Order No. 230 is hereby designated and shall comprise the following described
acreage in San Juan County, New Mexico in the Blanco-Mesaverde Pool:

Township 31 North, Range 12 West, NMPM
Section 23: NE/4, N/2 SE/4, SW/4 SE/4;
Section 24: NW/4 NW/4;
containing 320 acres, more or less; and

(2) This order shall be effective as of the fourth day of December, 1952.

DONE at Santa Fe, New Mexico on the day and year hereinabove written.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem, Chairman

E. S. Walker, Member

R. R. Spurrier, Secretary

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 425
Order No. R-230-A

THE APPLICATION OF GREENBRIER OIL
COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION TO ORDER
NO. 799, AS AMENDED BY ORDER NO. R-110,
TO PERMIT THE DRILLING OF A WELL TO
TEST THE MESAVERDE FORMATION ON A
DRILLING UNIT OF 320 ACRES, OF WHICH
280 ACRES LIE IN SECTION 23, AND 40 ACRES
IN SECTION 24, ALL IN TOWNSHIP 31 NORTH,
RANGE 12 WEST, NMPM, SAN JUAN COUNTY,
NEW MEXICO, IN THE BLANCO-MESAVERDE
POOL.

NUNC PRO TUNC ORDER OF THE COMMISSION

BY THE COMMISSION:

It appearing to the Commission that the order heretofore entered in
the above-entitled case under date of December 4, 1952, is not a correct
memorial of the judgment as rendered by this Commission, in that the actual
order portion describes the proposed drilling unit as:

Township 31 North, Range 12 West, NMPM
Section 23: N/2, N/2 SE/4, SW/4 SE/4;
Section 24: NW/4 NW/4

When it should have been shown as providing that the unit be as follows:

Township 31 North, Range 12 West, NMPM
Section 23: NE/4, N/2 SE/4, SW/4 SE/4;
Section 24: NW/4 NW/4

IT IS THEREFORE ORDERED:

That the unorthodox drilling unit as described in Order R-230 be
verified as containing the following described lands:

Township 31 North, Range 12 West, NMPM
Section 23: NE/4, N/2 SE/4, SW/4 SE/4;
Section 24: NW/4 NW/4

IT IS FURTHER ORDERED:

That this order be entered nunc pro tunc as of December 4, 1952,
the date upon which the original Order R-230 was entered, and that said
Order R-230 be ratified and verified in all other respects.

-2-

Case No. 425

Order No. R-230-A

DONE at Santa Fe, New Mexico, this 17th day of March, 1954.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



R. R. SPURRIER, Member and Secretary

S E A L