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William Scott League  
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File No. Sketch File 105 A County Harris

*W. L. ...  
Harris Co.*

GULF PRODUCTION COMPANY

V. NO. (119,385)

JULES HIRSCH ET AL

Filed Feb. 28 19 95

By GARRY MAURO, Com'r  
Douglas Howard

At the request of parties to this cause I make the following Findings of Fact and Conclusions of Law:

I.

The land sued for and described in the plaintiff's petition consists of what is commonly known and called the Gaillard Peninsula, and some adjacent land, in Harris County, situated on the North shore of Galveston Bay.

II.

On August 19, 1824, the Mexican Government granted to one William Scott, a colonist, a league and labor of land lying on the North shore of Galveston Bay, which grant included within its boundaries all the land in controversy; and by agreement and stipulation of all parties to this suit it is agreed, and I so find the fact to be, that all the title which passed from the Mexican Government to said William Scott to the land in controversy, has passed to, and is now vested in, the plaintiff Gulf Production Company and Humble Oil & Refining Company, the latter owning certain mineral rights in a part of the land described in its plea of intervention herein.



III.

I find from the undisputed evidence in the case that at the time of the grant, towit, August 19, 1824, the land in controversy was high land and was above extreme high tide, so that it was at all times, except in time of great storms, above the water, and was used continuously by the owners as agricultural and pasture land, and was entirely suitable for such purpose.

IV.

I find that the land in controversy remained high and above high tide continuously until operations for oil and gas were begun on said land and on land contiguous thereto, and until about 1918; that during the continuance of said operations and thru wells drilled thereon and wells drilled adjacent thereto, both in the water and on the land, many hundreds, perhaps thousands, of millions of cubic feet of oil, sand, mud and gas have been taken from, and escaped from, the subsurface of said land and the contiguous land and water, the gas ~~was~~ encountered having enormous rock pressure in the wells.

V.

I find that after said operations had been continued a considerable length of time the land in controversy began to subside, such subsidence occurring by sudden breaks or drops which were observed and testified to by many witnesses on the trial; that such subsidence has continued to such an extent that a large part of the land in controversy, together with some other land adjacent thereto, is now normally below high tide.



VI.

I find that the subsidence of the surface of the land, as mentioned in Finding No. V. was caused and brought about entirely by artificial means, that is, by the escape of gas from the subsurface of said land; by the enormous amount of sand, oil and mud forced from the subsurface of said land by the great gas pressure thru numerous oil and gas wells drilled thereon; and that such subsidence has taken place practically within the area from which oil, gas, sand and mud so taken being entirely sufficient to account for such subsidence.

VII.

I find that from the beginning of operations on the land in controversy, and before the subsidence commenced, the plaintiff and those holding under and in privity with it have continuously occupied the land in controversy, having continuously drilled wells thereon and produced oil without cessation from a time preceding any subsidence of said area; that they have kept in contact with and in possession of the minerals underlying said land during the whole time, and have kept possession of the surface, building, wherever was necessary, roads, raised platforms, walkways, derricks and houses; and that the encroachment of the sea, due to subsidence of the surface, has in no way prevented, stopped or impeded the

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continuous use of said land by the plaintiff, and intervenor Humble Oil & Refining Company, and others in privity with them; that the plaintiff, intervenor Humble Oil & Refining Company, and others in privity with them have continuously and successfully fought the encroachments of the sea so far as was necessary to have and maintain complete dominion and possession both of the surface and the minerals thereunder. I further find that the mineral estate in the land described in the plaintiff's petition was severed from the underlying fee title in 1916 and has ever since remained severed, either in the Gulf Production Company or Humble Oil & Refining Company and those in privity with them; and that the Humble Oil & Refining Company now owns and holds and has owned and held five-sixths (5/6) of the oil, gas and other minerals in and under the land described in its plea of intervention filed herein since 1916, under and by virtue of a certain lease contract executed by John Gaillard and wife as Lessors to H. H. Hoffman as Lessee, dated February 17, 1916, and in the same year duly assigned by said H. H. Hoffman to Humble Oil & Refining Company, copy of which lease contract is hereto attached, mated "Exhibit A." and found to be a valid and existing lease.

VIII.

I further find that the intervenor, the State of Texas, about 1912 and again in 1917 caused its surveyors and engineers and agents to make accurate surveys and delineations of the shore line of said Gaillard Peninsula and vicinity, and

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established by accurate surveys and delineations such shore line, such surveys being made for the purpose of ascertaining and determining on the ground the limits of the Bay so that the State might execute mineral permits and leases for operations for oil and gas in the area covered by water adjacent to the land in controversy; that pursuant to said plan and intention the State has granted numerous permits and leases on the water-covered land adjacent to the land in controversy, and its permittees and lessees have drilled numerous wells in said water areas, have extracted large quantities of oil and gas therefrom and have paid to the State large sums in royalties from such production; that the drilling of such wells and the taking of oil, gas, sand and mud from the subsurface thru such wells have contributed to the subsidence of the area in question.

IX.

I further find that from such surveys made by the State, and also by plaintiff Gulf Production Company and the intervenor Humble Oil & Refining Company, the limits and boundaries of the Land above extreme high tide were established and staked out on the ground before the subsidence took place, so that the same can be easily followed and determined at this time, notwithstanding a part of the same is now usually under water owing to the subsidence above referred to.



X.

I further find that the limits and boundaries of the high land, as it existed prior to the subsidence above mentioned, are accurately described and determined by the field notes embraced in the plaintiff's petition, so far as the land in controversy is concerned, and that such field notes do fully describe the limits and boundaries of the high land as same existed, to wit, the land above extreme high tide, before the subsidence hereinbefore mentioned took place.

XI.

I further find that the intervenor State of Texas has continuously refused to issue any permit to any applicant therefor for any of the land in controversy in this suit; the State, thru its proper officials, having always taken the position that the land was within the Scott grant, above high tide, and, therefore, did not belong to the State.

XII.

I further find that, in pursuance of this claim and policy of the State, the State did have surveys made and did issue permits and leases to various and sundry persons for lands covered by water, adjacent to the land described in plaintiff's petition and having for boundaries the boundaries of the land described in plaintiff's petition.



## CONCLUSIONS OF LAW

From the foregoing facts I conclude:

### I.

That the title to all the land in controversy passed from the Mexican Government to William Scott by the grant of August 19, 1824, and that, therefore, the State has no title or interest in such land.

### II.

I conclude that although the sea has encroached upon the land described in plaintiff's petition, such encroachment did not, and could not, destroy the title granted by the Mexican Government to William Scott and now owned by plaintiff Gulf Production Company, subject to the oil, gas and mineral lease of the Humble Oil & Refining Company,

(1) Because the encroachment of the sea has been entirely due to, and caused by, artificial means, namely, the drilling of wells on the land and the extraction of oil, gas, sand, mud and water from the subsurface of the lands and the contiguous lands.

(2) Because the subsidence caused by such operations for oil and gas was sudden and observable, taking place at different times.

(3) Because the owners of the land have continuously remained in actual possession of (a) the mineral estate, and (b) the surface of the land, using the land and fighting and preventing the encroachment of the sea as far as necessary to



the successful conduct of operations for the production of minerals, caring for and saving the said minerals and thereby making every necessary use of said land of which it is economically capable.

(4) Because the original boundaries of the high land established before the subsidence are still capable of ascertainment.

I, therefore, conclude that judgment should be entered:

That the plaintiff Gulf Production Company have and recover judgment against the defendants and all the intervenors, including the State of Texas, for the title and possession of the land in controversy; subject to the mineral interest of the Humble Oil & Refining Company as set out in its said lease contract hereto attached.

That the Humble Oil & Refining Company have judgment against all the defendants, and all the other intervenors, and against the plaintiff, establishing its right in the minerals as its said lease provides, including the right to remain in possession of said land and extract minerals therefrom under the terms and conditions of its lease contract, copy of which is hereto attached, insofar as the said lease covers the land in controversy.

AND IT IS SO ORDERED.

/s/ CHAS E. ASHE  
Judge of the District Court.

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GULF PRODUCTION COMPANY  
NO. 119,385 vs.  
JULES HIRSCH ET AL.

: IN THE ELEVENTH JUDICIAL DISTRICT  
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On this the 16th day of October, 1925, this cause came on for trial, the plaintiff Gulf Production Company appearing by its attorneys, and the defendants, Jules Hirsch, C.C. Crocker and J.E. Price by their attorneys, and the intervenor the State of Texas appearing by its Attorney General, and the intervenor Humble Oil & Refining Company appearing by its attorneys; and no jury having been demanded, the matters in controversy, as well of fact as of law, were submitted to the court, and after hearing the evidence and arguments of counsel, the court finds that the plaintiff Gulf Production Company is entitled to recover of and from the defendants Jules Hirsch, C.C. Crocker and J.E. Price, and the State of Texas, the title and possession of the tract of land sued for herein, and against the Humble Oil & Refining Company, subject, however, to the mineral rights and leasehold rights and interests of the Humble Oil & Refining Company in and to the tract of land set out and described in its plea of intervention, and hereinafter described.

IT IS, THEREFORE, ORDERED, ADJUDGED AND DECIDED by the court that the plaintiff Gulf Production Company recover of and from the defendants, Jules Hirsch, C.C. Crocker and J.E. Price, and the intervenors the State of Texas and the Humble Oil & Refining Company, subject to the mineral interest and leasehold rights of said Humble Oil & Refining Company hereinafter set out, the title and possession of the land and premises described as follows:

There with the Jones Allotment line N 24° 10' E 157.14 yrs. a 3' from the most westerly NW cor. of the Jones Allotment, 1/4 sec. water survey, and on the E edge of Canal Creek.

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By Douglas Howard

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Beginning at an iron pipe for the SW cor. of Scott Labor, which is also a cor. of the Lee Hager 90 acre water file;

Thence S 64° 55' W 78.61 vrs. to an iron pipe for most westerly cor. of the said Hager 90 acre water file;

Thence following shore line of Gaillard Peninsula and S line of Hager 90 acre water file;

S 31° 01' E 136.45 vrs;  
S 49° 51' E 225.97 vrs;  
S 67° 45' E 236.46 vrs;  
S 55° 09' E 98.5 vrs;  
S 49° 18' E 156.98 vrs;  
S 19° 37' E 104.59 vrs; to an iron pipe, being Hager's S or SW cor. and the NW cor. of the F. J. Demerritt 110 acre water file. Continuing along the shore line of Gaillard Peninsula and N. line of the F. J. Demerritt 110 acre water file:

S 18° 59' W 88.68 vrs;  
S 21° 42' W 63.2 vrs;  
S 33° 04' W 35.04 vrs;  
S 57° 04' W 55.97 vrs;  
N 50° 02' W 283.6 vrs;  
N 63° 40' W 245.12 vrs;  
N 56° 10' W 248.23 vrs;  
N 70° 32' W 50.4 vrs;  
S 62° 07' W 171.53 vrs;  
S 78° 58' W 68.38 vrs;  
N 77° 02' W 72.54 vrs;  
N 70° 35' W 89.23 vrs;  
S 47° 26' E 35.46 vrs;  
S 70° 11' E 72.51 vrs;  
S 81° 16' E 80.35 vrs;  
S 31° 40' E 76.17 vrs;  
S 68° 08' E 112.33 vrs; to a NW cor. of Gulf Production Company's San Jacinto Bay State lease of 7.32 acres, and in the S line of the F. J. Demerritt 110 acre water file;

Thence with meanders of Gaillard Peninsula and the N line of the Gulf Production Company 7.32 acre Bay State lease as follows:

S 6° 08' W 88.39 vrs;  
N 71° 38' W 112.78 vrs;  
N 62° 52' W 45.28 vrs;  
N 50° 52' W 200.63 vrs;  
N 55° 44' W 152.5 vrs; to a stake on the E line of the most Northerly portion of Jonas Altmont Water Survey, and same being the most Westerly NW cor. of Gulf Production Company San Jacinto Bay State lease of 7.32 acres;

Thence with the Jonas Altmont line N 24° 10' W 167.14 vrs, a 2" pipe the most Northerly NW cor. of the Jonas Altmont 145 acre water survey, and on the E edge of Goose Creek;



Thence up Goose Creek with its meanders as follows:

N. 49° 54' E. 103.01 vrs.; <sup>286.14'</sup>  
N. 18° 20' E. 59.4 vrs.; <sup>165.00'</sup>  
N. 5° 20' E. 138.6 vrs.; <sup>385.00'</sup>  
N. 37° 05' E. 65.52 vrs.; <sup>182.00'</sup>  
N. 60° 35' E. 50.4 vrs.; <sup>140.00'</sup>  
N. 79° 05' E. 226.8 vrs. to the edge of high land; <sup>630.00'</sup>

Thence following the edge of high land as follows:

S. 29° 07' E. 182.91 vrs.; <sup>508.08'</sup>  
N. 71° E. 152.03 vrs.; <sup>422.31'</sup>  
98.7ac N. 83° 57' E. 97.19 vrs. to the place of beginning. <sup>269.97'</sup>

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Intervenor, Humble Oil & Refining Company, do have and recover of and from the plaintiff, Gulf Production Company, and the defendants, Jules Hirsch, C. C. Crocker and J. E. Price, and the intervenor, State of Texas, subject to the right, title and interest therein of the plaintiff, Gulf Production Company, as vendee of John Gaillard and wife, lessors of said Humble Oil & Refining Company, and as the owner of the said land subject to the lease hereinbelow referred to, the title to that portion of the oil, gas and other minerals in and under the hereinafter described lands and premises, as conveyed by that certain oil and gas lease executed by John Gaillard and wife, Mary Gaillard, as lessors, to H. H. Hoffman, as lessee, under date of Feb. 16, 1916, and later extended by instrument of date July 12, 1916, said lease being duly of record in Vol. 41 at p. 448, et seq. of the Contract Records of Harris County, Texas, together with the title to said lease and all leasehold rights, title and interest created under the terms and provisions thereof, together with all physical property, improvements and equipment of any and all kinds or character whatsoever, located on said premises, and together with the rights of possession, egress and ingress for all purposes of producing, storing, taking care of and marketing the oil, gas and other products covered by said lease, and all other rights and privileges conferred under the terms and provisions thereof; hereby forever quieting the rights and title of the said intervenor, Humble Oil & Refining Company, in and to said oil, gas and other minerals conveyed by said mineral lease and the title to said lease and leasehold estate created thereby, subject to the right, title and interest of the Gulf Production Company, as aforesaid and as herein decreed, against the claims of the intervenor,



State of Texas, and the defendants, Jules Hirsch, G. C. Crocker and  
*and against the plaintiff Gulf Production Company, subject to the right and title of record*  
J. E. Price, the land covered by said mineral lease being described  
as follows:

Situated in Harris County, Texas, beginning at an  
iron pipe for the most westerly corner of the Lee Hager  
90 acre water file, said point lying South 64 deg. 55 min.  
West 78.61 varas from the Southwest corner of the Schtt  
Labor;

Thence: S. 31 deg. 01 min. E. 136.45 vrs;  
S. 49 deg. 51 min. E. 225.97 vrs;  
S. 67 deg. 45 min. E. 236.46 vrs;  
S. 55 deg. 09 min. E. 98.5 vrs;  
S. 49 deg. 18 min. E. 156.98 vrs;  
S. 19 deg. 37 min. E. 104.59 vrs; to  
an iron pipe, being Hager's S or SW cor. and the NW  
cor. of the F. J. Demerritt 110 acres;

Thence: S. 18 deg. 59 min. W. 88.68 vrs;  
S. 21 deg. 42 min. W. 63.2 vrs;  
S. 33 deg. 04 min. W. 35.04 vrs;  
S. 57 deg. 04 min. W. 55.97 vrs;  
N. 50 deg. 02 min. W. 283.6 vrs;  
N. 63 deg. 40 min. W. 245.12 vrs;  
N. 56 deg. 10 min. W. 248.23 vrs;  
N. 70 deg. 32 min. W. 50.4 vrs;  
S. 62 deg. 07 min. W. 171.53 vrs;  
S. 78 deg. 58 min. W. 68.38 vrs;  
N. 77 deg. 02 min. W. 72.54 vrs;  
N. 70 deg. 35 min. W. 89.23 vrs;  
S. 47 deg. 26 min. E. 35.46 vrs;  
S. 70 deg. 11 min. E. 72.51 vrs;  
S. 81 deg. 16 min. E. 80.35 vrs;  
S. 31 deg. 40 min. E. 76.17 vrs;  
S. 68 deg. 08 min. E. 112.33 vrs; to a  
NW cor. of Gulf Production Company's San Jacinto Bay  
State lease of 7.32 acres, and in the S. line of the  
F. J. Demerritt 110 acres;

Thence: S. 6 deg. 08 min. W. 38.39 vrs;  
N. 71 deg. 38 min. W. 112.78 vrs;  
N. 62 deg. 52 min. W. 45.28 vrs;  
N. 50 deg. 52 min. W. 200.63 vrs;  
N. 55 deg. 44 min. W. 152.5 vrs; to a  
stake on the E. line of the most northerly portion of  
Jonas Altmont Survey, and same being the most westerly  
NW cor. of Gulf Production Company's San Jacinto Bay  
State lease of 7.32 acres;

Thence with the Jonas Altmont line N. 24 deg.  
10 min. W. 31.7 vrs;  
Thence N. 40 deg. 9 min. E. 601.0 vrs;  
Thence S. 29 deg. 7 min. E. 131.4 vrs;  
Thence N. 71 deg. 0 min. E. 152.03 vrs;  
Thence S. 46 deg. 14 min. E. 33.35 vrs; to the  
beginning.

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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the intervenor, State of Texas, take nothing against the plaintiff, Gulf Production Company, the intervenor, Humble Oil & Refining Company, and the defendants Jules Hirsch, C. C. Crocker and J. E. Price, and as to such plea of intervention the Gulf Production Company, Humble Oil & Refining Company, Jules Hirsch, C. C. Crocker and J. E. Price go hence without day; and it is further ordered, adjudged and decreed that the defendants, Jules Hirsch, C. C. Crocker and J. E. Price take nothing as against the Gulf Production Company, the intervenor, State of Texas, and the intervenor, Humble Oil & Refining Company.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the plaintiff, Gulf Production Company, and the intervenors, Humble Oil & Refining Company, have judgment against the defendants, Jules Hirsch, C. C. Crocker and J. E. Price, for all costs of the case, for which let execution issue; and that the plaintiff, Gulf Production Company, have its writ of possession, subject to the rights and interest of the intervenor, Humble Oil & Refining Company, as shown by the terms of this decree; and the intervenor, Humble Oil & Refining Company, have its writ of possession within the limits of its rights as decreed to it herein.

And to which said judgment the intervenor, State of Texas, excepts and now here in open court gives notice of appeal to the Court of Civil Appeals for the First Supreme Judicial District of Texas at Galveston, and as provided by law, said intervenor shall be allowed ninety days after rendition of this judgment in which to present its bills of exception, if any, and also to prepare and file a statement of facts herein.

*Approved as to form*  
*Dan Moody Atty Gen.*  
*R. J. Randolph Assistant*  
*Atty Gen. Atty for*  
*Intervenor, State of Texas,*

*Euter Ashe*  
 \_\_\_\_\_  
 Judge Presiding.



STATE OF TEXAS  
COUNTY OF HARRIS

I, Ray Hardy, District Clerk of Harris County, Texas, do hereby certify that the foregoing is a true and correct copy of the original record, now in my lawful custody and possession, filed on: \_\_\_\_\_  
**FILED AMONG OTHER PAPERS** \_\_\_\_\_, as appears of record in my office.

Witness my official hand and seal of office, this  
**DEC 05 1989**

RAY HARDY, DISTRICT CLERK  
Harris County, Texas  
By *A. Rosales* Deputy  
**A. ROSALES**

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