

CASE 3897: Application of KERSEY-
WITTKOPP AND E.A. HANSON for two
waterflood projects, Eddy County.

Case Number

3897

Application
Transcripts.

Small Exhibits

ETC.

MR. NUTTER: We'll call as the next case Case 3897.

MR. HATCH: Application of Kersey-Wittkopp and E. A. Hanson for two waterflood projects, Eddy County, New Mexico.

MR. NUTTER: The record will show Mr. Kersey still under oath.

(Whereupon, Applicants' Exhibits A through E marked for identification)

* * * * *

HAROLD KERSEY, one of the Applicants, having been first duly sworn, testified as follows:

* * * * *

MR. KERSEY: Here is a couple more copies of our Application.

This is a project down in the south Shugart area for a small flood into the Queen Sands and Exhibit A shows the area involved which is the southeast quarter of Section 6, 19, 31. There's two wells involved in the flood and before we start here, I have a letter in triplicate from Mr. E. A. Hanson that I represent their company in this case.

MR. NUTTER: Again, this is the composit application of two companies?

MR. KERSEY: Two companies. Hanson and Kersey and Wittkopp. As I said, Exhibit A shows the area with the two proposed injection wells. Exhibit B shows the detail of the location of the wells and Exhibit C and D, Exhibit C and D

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show how each well is proposed to be completed. On Exhibit C, the 8 and 5/8ths casing on the No. 2 Texaco of Kersey-Wittkopp is set at 865 feet with 110 sacks. The 5 and 1/2 inch casing is at 3446 with 120 sacks and the 5 and 1/2 inch casing at 3299 with 150 sacks, the perforations in the Queen Formation. It's proposed on both of these wells, to set tension packers at 3100 feet with cement-lined tubing with inhibited fluid above the packers and inject into the Queen. At the present time, we have contacted Shenandoah and we are going to purchase the injection water from Shenandoah and return the produced water for re-injection, back into the formation. These wells are down past the economic status and producing status and primary has been about fifteen to twenty thousand barrels on each well.

EXAMINATION

BY MR. NUTTER:

Q Now, Mr. Kersey, as far as allowable production is concerned, what is the area of the Kersey-Wittkopp lease?

A It is the north half of the southeast quarter which would only be two forty-acre tracts.

Q One injection well and one producer?

A One producer. The Hanson, I show the south half of the southeast quarter, but in reality Hanson does have the southeast of the southwest, so he could very well with this

proposal, have three forty's, for allowable because he actually has three forty's there.

Q There is no well on that forty at the present time?

A He would have to drill on there, of course, later, but anyway, there are three forty's.

Q Are the two forty's where he has the injection well and the producing well the same lease or are these separate leases?

A Those are separate leases. That is one thing that was bad on our pattern because he we had made an injection well out of his well in the southeast of the southeast, that's the only well on that Federal Lease and it would immediately have cancelled it. We had to make the well that we have shown, the Payne, an injection well because it is held by other production.

Q Do you know whether either of these two leases there in the south half of the southeast quarter, have any diversity of ownership, or is Mr. Hanson the sole owner and the Federal Government the sole lessor here?

A That is my understanding, Mr. Hanson and the Federal Government, and on our lease there's a little bit of override but that's it.

Q But it's common throughout the entire lease?

A Yes, it's common throughout the entire lease.

Q It will probably be necessary for Mr. Hanson to get these two leases consolidated in some way prior to the time we authorize the transfer of allowable across the lease line.

A We can certainly take care of that.

Q It won't be difficult if there is no diversity of ownership, no overrides or anything?

A No, owns those 100% himself.

Q Well, it won't be any problem then. Do you have any idea as to the top of the cement on the two injection wells?

A I would say the top of the cement in the Kersey-Wittkopp Texaco No. 2, the 8 and 5/8ths would probably be about 400 feet and the top of the production string casing would be at approximately 2000 feet. On the Hanson Payne No. 1A, with the shallow amount of the casing use, I would say that was circulated and on the 5 and 1/2 inch casing, the cement probably came up to about 1800 feet because they used 150 sacks.

MR. NUTTER: Are there any other questions of Mr. Kersey?

EXAMINATION

BY MR. PORTER:

Q Mr. Kersey, do these wells produce water at the present time?

A Yes, they do. They make about 15 or 20 barrels of water a day. This is going to help take care of that, too.

Q Is this about the average production in the area, 15 to 20 barrels?

A I would say it was about average in that particular area. So we need to do something to get rid of the water as well as start a secondary recovery.

MR. PORTER: Yes, thank you.

MR. NUTTER: Do you have anything further, Mr. Kersey?

MR. KERSEY: That's it.

MR. NUTTER: I presume you wish to offer Exhibits A through D in this case?

MR. KERSEY: Right.

MR. NUTTER: And the letter from Mr. Hanson which would be Exhibit E. Exhibits A through E will be admitted in evidence.

(Whereupon, Applicants' Exhibits
A through E admitted in evidence.)

MR. NUTTER: Does anyone have anything they wish to offer in Case 3897? We will take the case under advisement.

I N D E X

<u>WITNESS</u>		<u>PAGE</u>
<u>HAROLD KERSEY</u>		
Direct Testimony		2
Examination by Mr. Nutter		3
Examination by Mr. Porter		5
 <u>EXHIBITS</u>	 <u>MARKED</u>	 <u>ADMITTED</u>
Applicants' A through E	2	6

STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my hand this 1st day of November, 1968.

I do hereby certify that the ADA DEARNLEY

a copy of the record of the proceedings in the Bernalillo County of New Mexico, No. 3897

made up of 10/23 1968

Adm. Dearnley, Secretary
 New Mexico Oil Conservation Commission

CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 2088
SANTA FE

November 5, 1968

Mr. Harold Kersey
Kersey & Company
Post Office Box 316
Artesia, New Mexico 88210

Dear Sir:

Reference is made to Commission Order No. R-3547, recently entered in Case No. 3897, approving the Kersey Wittkopp Shugart Waterflood Project and the Hanson-Shugart Waterflood Project.

Injection is to be through the one water injection well authorized for each project, both of which shall be equipped with cement-lined tubing set in packers at approximately 3100 feet. The casing-tubing annulus in each well is to be loaded with inhibited fluid and equipped with a gauge to facilitate detection of leakage in the casing, tubing, or packer.

As to allowable, our calculations indicate that when both of the authorized injection wells have been placed on active injection, the maximum allowable which each project will be eligible to receive under the provisions of Rule 701-E-3 is 84 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less. This is assuming of course that the two leases comprising the Hanson Shugart Project have been consolidated in accordance with the provisions of Order (2) of Order No. R-3547.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change

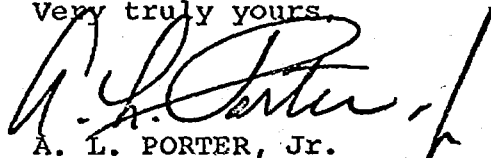
-2-

Mr. Harold Kersey
Kersey & Company
Post Office Box 316
Artesia, New Mexico 88210

in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,



A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/ir

cc: Oil Conservation Commission
Hobbs and Artesia, New Mexico

U. S. Geological Survey
Artesia, New Mexico

Mr. D. E. Gray
State Engineer Office
Capitol Building
Santa Fe, New Mexico

Sent ROUGH DRAFT FOR WATERFLOOD LETTERS

Mr. Harold Kersey
Kersey & Company
Post Office Box 316
Artesia, New Mexico 88210

Dear Sir:

the Hanson-Shugart
Reference is made to Commission Order No. 3547 ^{recently} entered in Case No. 3897, approving the Kersey Withkop Shugart Waterflood Project and Waterflood Project.

Injection interests is to be through the one water injection authorized for each project, both of which shall be equipped with cement-lined tubing set in ~~at~~ packers at approximately 3100 feet. The casing-tubing annulus in each well is to be loaded with inhibited fluid and equipped with a gauge to facilitate detection of leakage in the casing, tubing, or packer.

As to allowable, our calculations indicate that when ^{both} all of the authorized injection wells have been placed on active injection, the maximum allowable which ^{each} this project will be eligible to receive under the provisions of Rule 701-E-3 is 84 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

cc: OCC: Hobbs X
Artesia X
Aztec

USGS Artesia

Mr. Frank Fray, State Engineer Office, Santa Fe, New Mexico

Mr. D. E. Gray

This is assuming of course that the two leases comprising the Hanson Shugart Project have been consolidated in accordance with the provisions of Order (2) of Order No. R 3547

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 2088
SANTA FE

October 31, 1968

Mr. Harold Kersey
Kersey & Company
Post Office Box 316
Artesia, New Mexico 88210

Re: Case No. 3897
Order No. R-3547
Applicant:
Kersey-Wittkopp & Hanson

Dear Sir:

Enclosed herewith is a copy of the above-referenced Commission order recently entered in the subject case. Letter pertaining to conditions of approval and maximum allowable to follow.

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC _____
State Engineer x

Other _____

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. 3897
Order No. R-3547

APPLICATION OF KERSEY-WITTKOPP
AND E. A. HANSON FOR TWO WATERFLOOD
PROJECTS, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 23, 1968,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 31st day of October, 1968, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

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

(2) That the applicants, Kersey-Wittkopp and E. A. Hanson,
seek permission to institute two cooperative waterflood projects
in the Shugart Pool by the injection of water into the Queen
formation through two injection wells located in the NW/4 SE/4
and the SW/4 SE/4 of Section 6, Township 19 South, Range 31 East,
NMPM, Eddy County, New Mexico.

(3) That the wells in the project areas are in an advanced
state of depletion and should properly be classified as "stripper"
wells.

(4) That the proposed waterflood projects should result in
the recovery of otherwise unrecoverable oil, thereby preventing
waste.

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CASE No. 3897
Order No. R-3547

(5) That the project area comprising the SW/4 SE/4 and the SE/4 SE/4 of said Section 6 should be designated as an area wherein transfer of allowables between leases is permitted, provided said area has been unitized or otherwise consolidated, or provided all persons owning working interests and/or royalty interests within said area have so agreed and evidence of such unitization, consolidation, or agreement has been filed with the Santa Fe Office of the Commission.

(6) That, subject to Finding No. (5), the proposed waterflood projects should be approved and the projects should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicants, Kersey-Wittkopp and E. A. Hanson, are hereby authorized to institute the following cooperative waterflood projects in the Shugart Pool by the injection of water into the Queen formation through the following-described wells in Section 6, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico:

Kersey-Wittkopp Shugart Waterflood Project

Injection well:

Kersey-Wittkopp Texaco Federal Well No. 2 - Unit J - Section 6

Hanson Shugart Waterflood Project

Injection well:

E. A. Hanson Payne "A" Federal Well No. 1 - Unit O - Section 6

(2) That the aforementioned Hanson Shugart Waterflood Project, comprising the SW/4 SE/4 and the SE/4 SE/4 of said Section 6, is hereby designated an area wherein transfer of allowables between leases is permitted, provided said area is unitized or otherwise consolidated, or provided all persons owning working interests and/or royalty interests within said area so agree

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CASE No. 3897

Order No. R-3547

and evidence of such unitization, consolidation, or agreement is furnished the Santa Fe Office of the Commission.

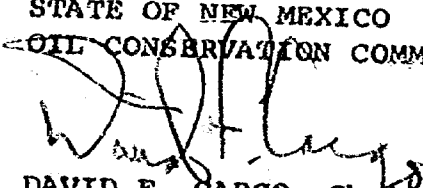
(3) That the subject waterflood projects shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

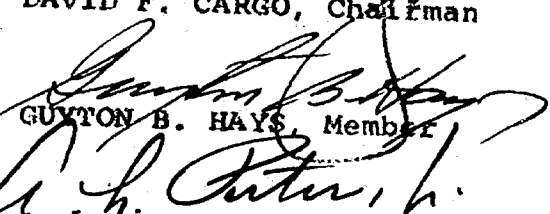
(4) That monthly progress reports of the waterflood projects herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

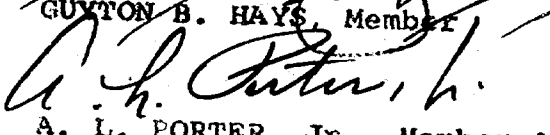
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

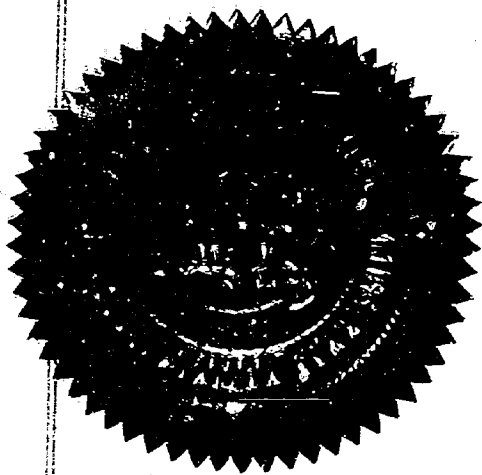
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


A. L. PORTER, Jr., Member & Secretary



esr/

Docket No. 31-68

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 23, 1968

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

CASE 3894: Application of Signal Oil and Gas Company for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard oil proration unit comprising the W/2 NE/4 and the N/2 SE/4 of Section 17, Township 10 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico, said unit to be dedicated to its State AP Well No. 1 located 1980 feet from the South line and 660 feet from the East line of said Section 17.

CASE 3895: Application of Sun Oil Company for a pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in its New Mexico State "H" Lease by the injection of water into the San Andres formation through its New Mexico State "H" Well No. 13 located in the SE/4 SE/4 of Section 16, Township 8 South, Range 30 East, Cato-San Andres Pool, Chaves County, New Mexico. Applicant further seeks the promulgation of special rules to govern operation of said pressure maintenance project.

CASE 3887: (Continued from the October 9, 1968, Examiner Hearing)

Application of Kersey & Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Premier sand of Grayburg formation through two wells to be located in Units E and K of Section 12, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Applicant further proposes to produce oil from the Upper Grayburg through parallel strings of tubing, if said zones are productive in the subject wells.

CASE 3896: Application of Kersey & Hanson, Yates Drilling Company, and John H. Trigg for several waterflood projects, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to institute several cooperative waterflood projects by the injection of water into the Queen and Grayburg formations through four injection wells located in Sections 21

CASE 3896 continued

and 28, Township 18 South, Range 29 East, Turkey
Track Queen-Grayburg Pool, Eddy County, New Mexico.

CASE 3897:

Application of Kersey-Wittkopp and E. A. Hanson for two waterflood projects, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to institute two cooperative waterflood projects by the injection of water into the Queen formation through two injection wells located in the NW/4 SE/4 and the SW/4 SE/4 of Section 6, Township 19 South, Range 31 East, Shugart Pool, Eddy County, New Mexico.

CASE 3898:

Application of Tenneco Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation in the open-hole interval from approximately 3258 feet to 3341 feet in its Ginsberg-Federal Well No. 6 located in Unit E of Section 31, Township 25 South, Range 38 East, Langlie-Mattix Field, Lea County, New Mexico.

CASE 3899:

Application of Cities Service Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the interval from approximately 4087 feet to 4176 feet in its State AD Well No. 8 located in Unit J of Section 22, Township 10 South, Range 32 East, Mescalero-San Andres Pool, Lea County, New Mexico.

CASE 3900:

Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Vacuum Wolfcamp Pool and the North Vacuum Abo Pool in the well-bore of its State H-35 Well No. 7 located 660 feet from the North line and 1780 feet from the East line of Section 35, Township 17 South, Range 34 East, Lea County, New Mexico.

CASE 3901:

Application of Continental Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formations in the perforated interval from approximately 3330 feet to 3552 feet in its Lynn A-28 Well No. 6 located in Unit H of Section 28, Township

(CASE 3901 continued)

23 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

CASE 3902: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project by the injection of water into the Queen formation through its Stevens "B" Well No. 8 located in Unit A of Section 12, Township 23 South, Range 36 East, Langlie-Mattix Pool, Lea County, New Mexico.

CASE 3903: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Delaware formation in the perforated intervals from approximately 4675 feet to 4765 feet in its Payne Well No. 11 and from 4666 feet to 4740 feet in its Payne Well No. 12 located 660 feet from the South line and 1650 feet from the West line of Section 30, 1935 feet from the North line and 2090 feet from the West line of Section 31, respectively, Township 26 South, Range 33 East, El Mar-Delaware Pool, Lea County, New Mexico.

CASE 3904: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project by the injection of water into the Delaware formation through its Thompson Federal 19 Well No. 2 located in Unit F of Section 19, Township 26 South, Range 32 East, North Mason-Delaware Pool, Lea County, New Mexico.

CASE 3905: Application of Texas Pacific Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the open-hole interval from approximately 12,269 feet to 12,541 feet in its State "O" Well No. 1 located in Unit J of Section 15, Township 10 South, Range 36 East, South Crossroads-Devonian Pool, Lea County, New Mexico.

- CASE 3906:** Application of Skelly Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Queen formation through its Mattix "A" Well No. 4 located in Unit K of Section 2, Township 24 South, Range 37 East, Langlie-Mattix Oil Pool, Lea County, New Mexico. Applicant further seeks a procedure whereby said project may be expanded administratively without a showing of well response.
- CASE 3907:** Application of Skelly Oil Company for a waterflood project, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project by the injection of water into the San Andres formation through its Hobbs "W" Well No. 9 located in Unit F of Section 29, Township 7 South, Range 34 East, Chaveroo-San Andres Pool, Roosevelt County, New Mexico. Applicant further seeks a procedure whereby said project may be expanded administratively without a showing of well response.
- CASE 3908:** Application of Pan American Petroleum Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from approximately 3932 feet to 4027 feet in its Miller Federal Well No. 4 located in Unit L of Section 35, Township 7 South, Range 31 East, Tom-Tom San Andres Pool, Chaves County, New Mexico.
- CASE 3909:** Application of Champlin Petroleum Company for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into San Andres formation, Chaveroo-San Andres Pool, Roosevelt County, New Mexico, through the following two wells located in Township 7 South, Range 33 East:

Champlin Lauck-Federal Well No. 12,
Unit J of Section 29; Disposal Interval -
4202 feet to 4404 feet;

Champlin State 32-7-33 Well No. 5, Unit J
of Section 32; Disposal Interval - 4303
feet to 4425 feet.

- CASE 3910: Application of Atlantic Richfield Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bough "C" zone of the Pennsylvanian formation underlying the SW/4 of Section 17, Township 10 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico. Said acreage to be dedicated to a well located in the NE/4 SW/4 of said Section 17.
- CASE 3911: Application of Atlantic Richfield Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bough "C" zone of the Pennsylvanian formation underlying the SE/4 of Section 8, Township 10 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico. Said acreage to be dedicated to a well located in the NW/4 SE/4 of said Section 8. In the alternative applicant seeks approval of a non-standard oil proration unit comprising the E/2 SE/4 of said Section 8 and the W/2 SW/4 of Section 9, said Township and Range, said unit to be dedicated to a well to be drilled in the NE/4 SE/4 of said Section 8.
- CASE 3882: (Continued from the October 9, 1968, Examiner Hearing)
Application of Solar Oil Company for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of oil in the Teague Blinbry Pool, Lea County, New Mexico.
- CASE 3883: (Continued from the October 9, 1968, Examiner Hearing)
Application of Solar Oil Company for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of oil in the Imperial-Tubb-Drinkard Pool, Lea County, New Mexico.

KERSEY & COMPANY
DRILLING AND OIL PRODUCTION
Phone SH 6-3671 • P. O. Box 316 • 508 W. Grand
ARTESIA, NEW MEXICO 88210

October 2, 1968

Re: Water Flood Project,
Shugart Field

State of New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Secretary Director, Mr. A. L. Porter, Jr.

Dear Sir:

It is respectfully requested in order to promote conservation and prevent waste that Kersey-Wittkopp and E. A. Hanson be given approval for a water flood project which includes the wells hereinafter listed.

This project will be a cooperative flood with each party hereto injecting into their own well, producing his own oil and having an allowable based on his total productive acreage.

The pattern is a simple line drive involving two injection wells. Pressured water will be purchased from the Shenandoah Corporation which has a flood in the area.

Hereinafter are listed the two injection wells involved.

Kersey-Wittkopp Texaco No. 2, located in the NW SE,
Section 6, T19S, R31E, Eddy County, New Mexico.

E. A. Hanson Payne 1-A, located in the SW SE,
Section 6, T19S, R31E, Eddy County, New Mexico.

Exhibit "A" shows the flood area and wells within a two mile radius.

Exhibit "B" shows a detailed plat of the flood area.

Exhibit "C" and "D" shows how each injection well is to be completed.

Copies of this application will be sent to all offset operators as listed below and to the U.S.G.S. office.

Page 2
October 2, 1968
Oil Conservation Commission

The operators of this cooperative flood will upon approval of the flood immediately notify the New Mexico Oil Conservation Commission of injection operations and abide by the rules and regulations as set out in the Order and will also file and maintain accurate records as required by the New Mexico Oil Conservation Commission.

Yours very truly,

KERSEY - WITTKOPP

Harold Kersey
Harold Kersey

HK:cg

CC: U.S.G.S.
Texaco
Texam
Penro
Culbertson - Irwin

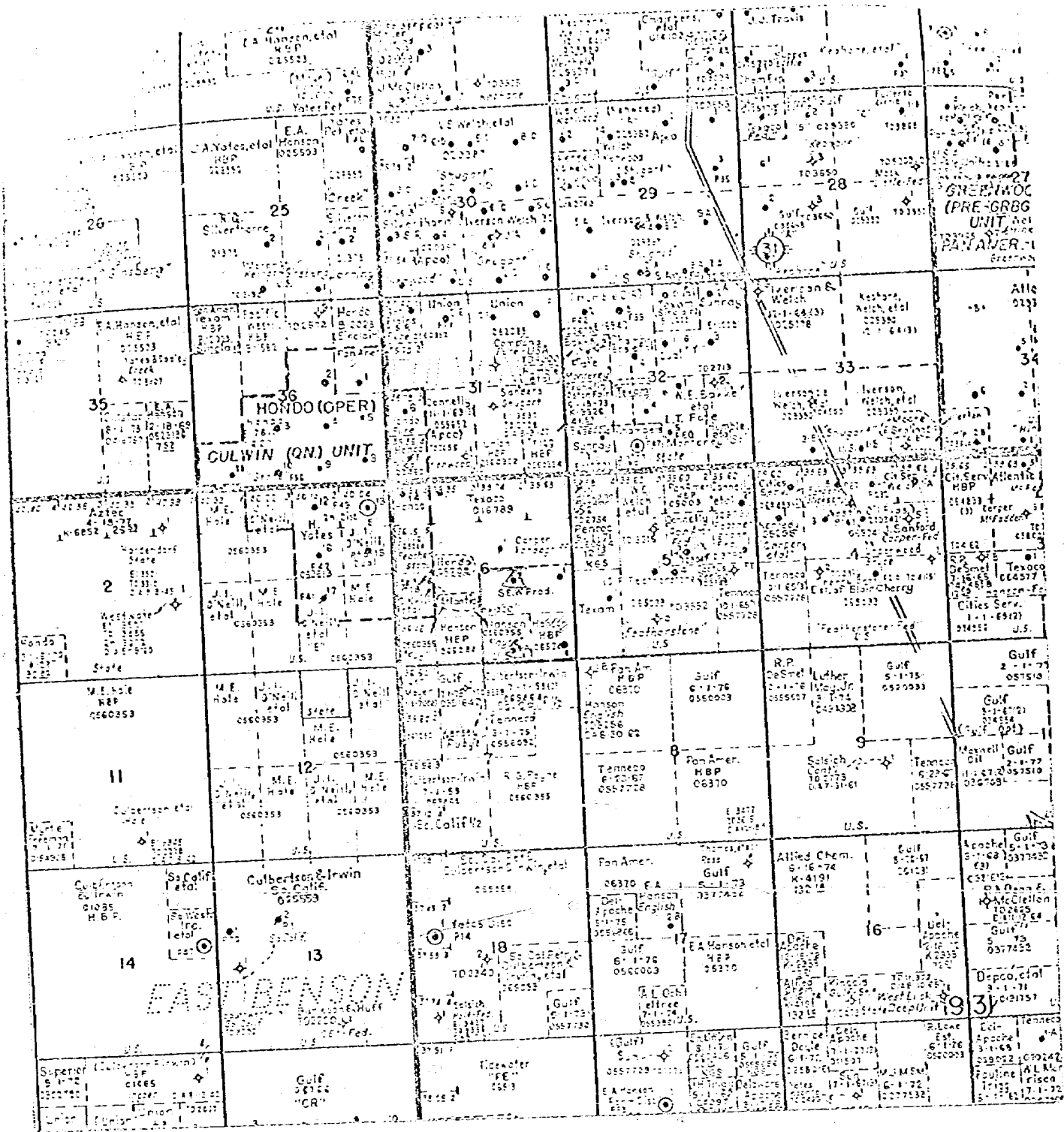


EXHIBIT "A"

Shows proposed Flood Area and other wells within

2 mile radius.

allowance Calc

Hanson proj

2X42 = 84

Kersey-Wittkopp proj

2X42 = 84

Form C-104

is filed changing ownership from S&W Prod Co to Kersey Wittkopp

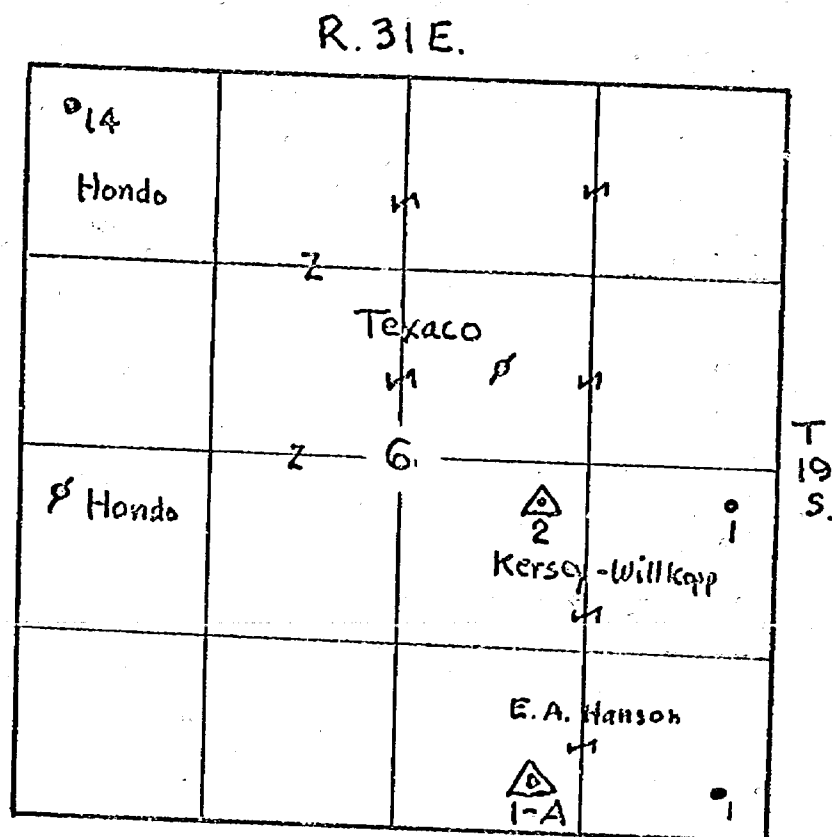
BEFORE EXAMINER NUTTER

app. _____ NO. A

CASE NO. 3897

provided the 240's are consolidated pursuant to order no. 2 of the Order.

from S&W Prod Co



Detail Showing Kersey-Willkopp &
Hanson Cooperative Flood. Sec. 6-19-31

△ Injection Well

BEFORE EXAMINER NUTTER	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	13
CASE NO.	3897

Exhibit "B"

Artesia, N. Mex.
9/2/68

8 5/8" Casing @ 865'
110 Sax

BEFORE EXAMINED BY
OIL CONSERVATION COMMISSION
EXHIBIT NO. C-P
CASE NO. 1000 3897

2 3/8" Tubing @ 3100'
Tension Packer

Perforations - Queen formation

5 1/2" Csg 3446 120 Sax

Kersey-Wittkopf
No. 2 Texaco

Exhibit "C"

8 5/8" Casing @
200' with 200 Sax

2 3/8" @ 3100'
Tension Packer

Perforations. Queen formation

5 1/2" Csg @ 3249'
150 Sax

E. A. Hanson
Payne 1-A

Exhibit "D"

ROSWELL PETROLEUM BUILDING
505 622-7330

67 RIVERBIDE
505 622-6923

ERNEST A. HANSON
OIL OPERATOR
P. O. BOX 1515
ROSWELL, NEW MEXICO
88201

October 7, 1968

Kersey & Company
P. O. Box 316
Artesia, New Mexico, 88210

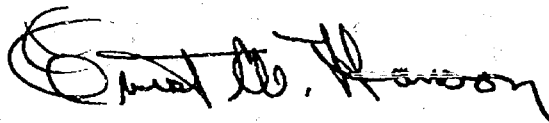
Attention: Mr. Harold Kersey

Re: Cooperative Water Flood Project
SE/4 Sec. 6, T-19-S, R-31-E
Eddy County, New Mexico
Shugart Field

Dear Mr. Kersey:

Confirming our discussion of the water flood covering 160 acres in the Shugart Field, we have examined a copy of your Application to the New Mexico Oil Conservation Commission for approval of this project, and we request that you act as our Agent in any matters that may come up before the Commission in regard to this flood Application.

Yours very truly,



ERNEST A. HANSON

EAH/lm

BEFORE EXAMINER NUTTER	
OIL CONSERVATION CO.	
<i>appe</i>	EXHIBIT NO. <u>E</u>
CASE NO. <u>3897</u>	

KERSEY & COMPANY
DRILLING AND OIL PRODUCTION
Phone SH 6-3671 • P. O. Box 316 • 808 W. Grand
ARTESIA, NEW MEXICO 88210

October 2, 1968

Case 3897

Re: Water Flood Project,
Shugart Field

State of New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

OCT 3 1968

Attention: Secretary Director, Mr. A. L. Porter, Jr.

Dear Sir:

It is respectfully requested in order to promote conservation and prevent waste that Kersey-Wittkopp and E. A. Hanson be given approval for a water flood project which includes the wells hereinafter listed.

This project will be a cooperative flood with each party hereto injecting into their own well, producing his own oil and having an allowable based on his total productive acreage.

The pattern is a simple line drive involving two injection wells. Pressured water will be purchased from the Shenandoah Corporation which has a flood in the area.

Hereinafter are listed the two injection wells involved.

Kersey-Wittkopp Texaco No. 2, located in the NW SE,
Section 6, T19S, R31E, Eddy County, New Mexico.

E. A. Hanson Payne 1-A, located in the SW SE,
Section 6, T19S, R31E, Eddy County, New Mexico.

Exhibit "A" shows the flood area and wells within a two mile radius.

Exhibit "B" shows a detailed plat of the flood area.

Exhibit "C" and "D" shows how each injection well is to be completed.

Copies of this application will be sent to all offset operators as listed below and to the U.S.G.S. office.

DOCKET # 110

Date 10-11-68

Page 2
October 2, 1968
Oil Conservation Commission

The operators of this cooperative flood will upon approval of the flood immediately notify the New Mexico Oil Conservation Commission of injection operations and abide by the rules and regulations as set out in the Order and will also file and maintain accurate records as required by the New Mexico Oil Conservation Commission.

Yours very truly,

KERSEY - WITTKOPP

Harold Kersey
Harold Kersey

HK:cg

CC: U.S.G.S.
Texaco
Texam
Penroc
Culbertson - Irwin

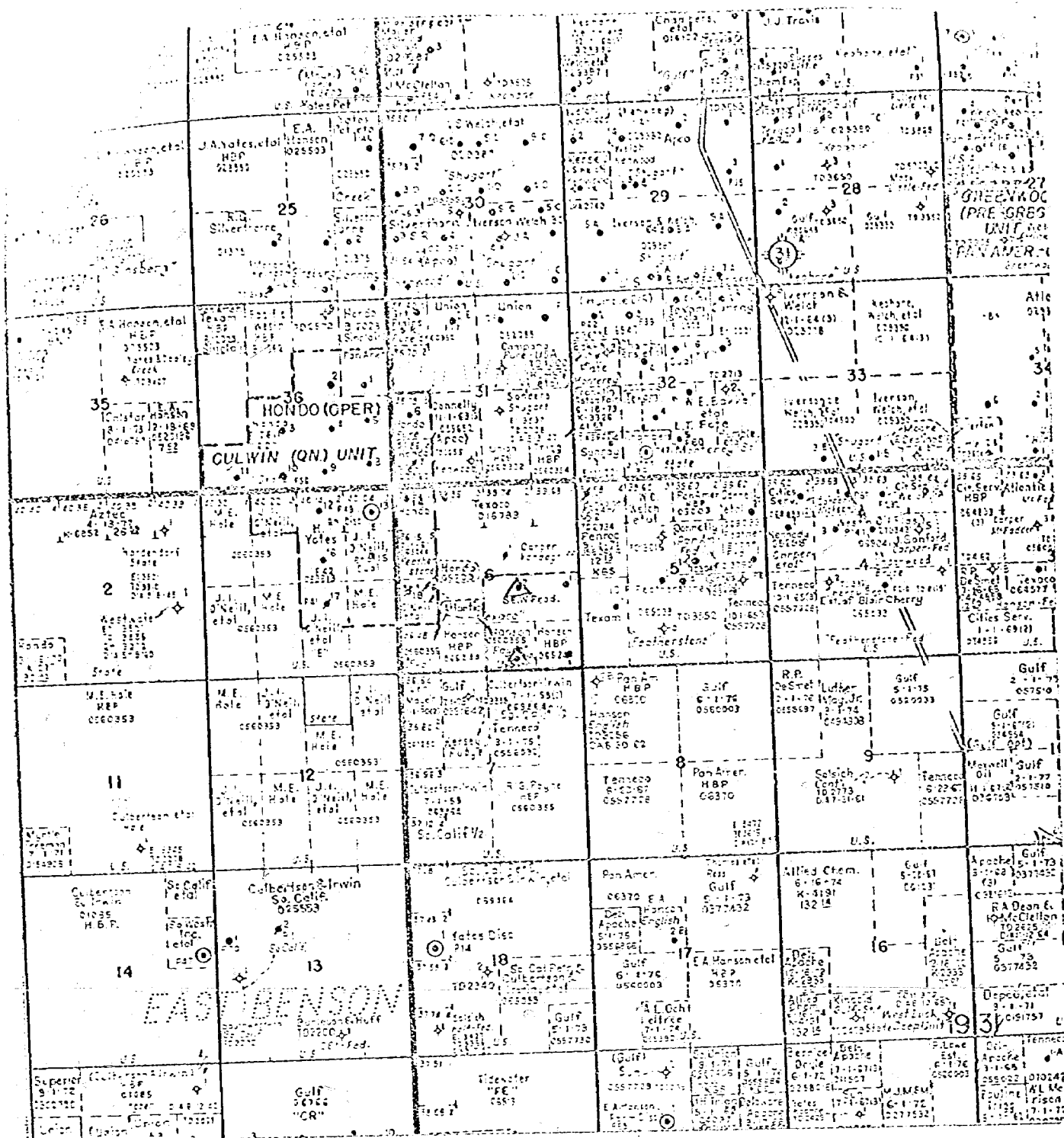
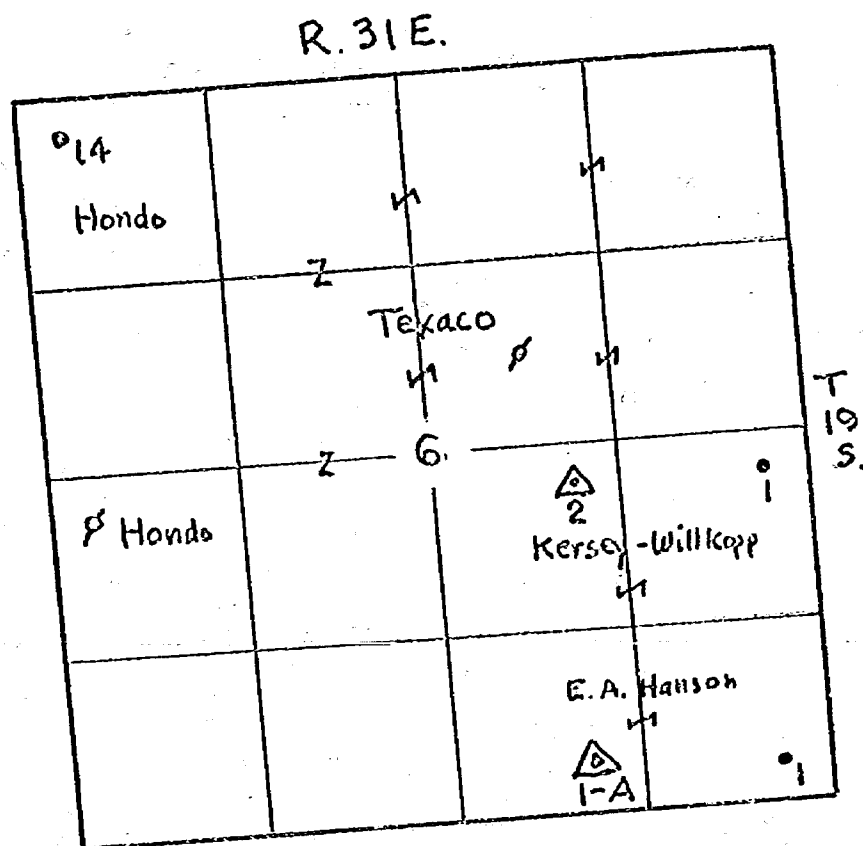


EXHIBIT "A"

Shows proposed Flood Area and other wells within
2 mile radius.

Case 3897



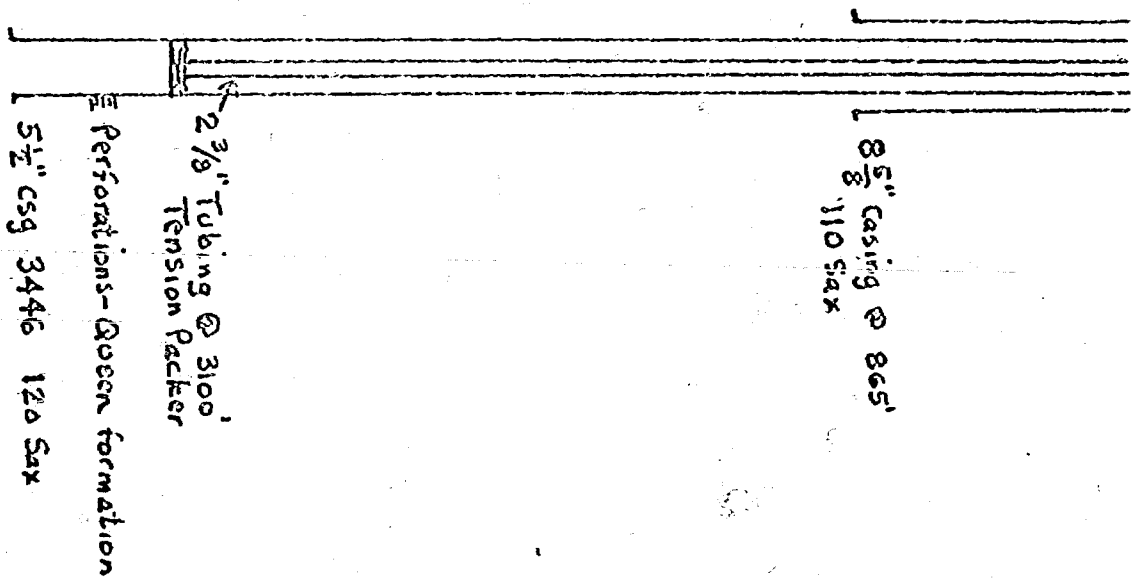
Detail Showing Kersey-Willkopp &
Hanson Cooperative Flood. Sec. 6-19-31

△ Injection Well

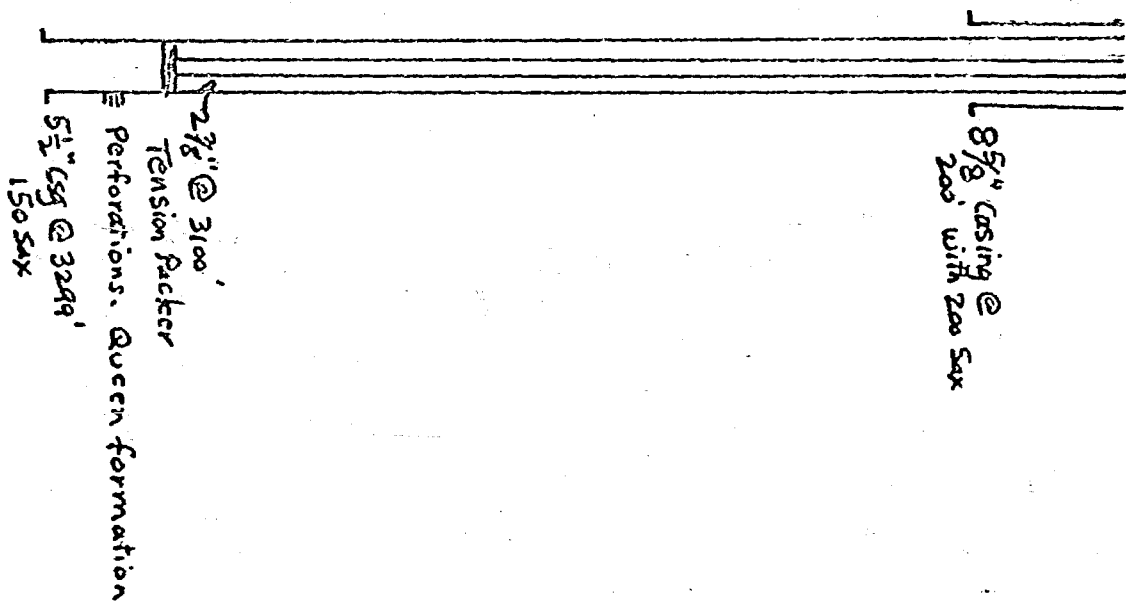
Exhibit "B"

Case 3897
Artesia, N. Mex.
9/2/68

Kersey-Wittkopf
No. 2 Texaco
Exhibit "C"



E. A. Hanson
Payne 1-A
Exhibit "D"



Card 3897

DRAFT

GMH/esr

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. 3897

Order No. R-3547

APPLICATION OF KERSEY-WITTKOPP
AND E. A. HANSON FOR TWO WATERFLOOD
PROJECTS, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 23, 1968,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this Oct day of 1968, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

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

(2) That the applicants, Kersey-Wittkopp and E. A. Hanson,
seek permission to institute two cooperative waterflood projects
in the Shugart Pool by the injection of water into the Queen
formation through two injection wells located in the NW/4 SE/4
and the SW/4 SE/4 of Section 6, Township 19 South, Range 31 East,
NMPM, Eddy County, New Mexico.

(3) That the wells in the project areas are in an advanced
state of depletion and should properly be classified as "stripper"
wells.

(4) That the proposed waterflood projects should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(5)(E) That the project area comprising the SW 1/4 SE 1/4 and the SE 1/4 SE 1/4 of said Section 6 should be designated as an area wherein transfer of allowables between leases is permitted, provided ~~by that date~~ said area has been unitized or otherwise consolidated, or provided all persons owning working interests and/or royalty interests within said area have so agreed and evidence of such unitization, consolidation, or agreement has been filed with the Santa Fe office of the Commission.

Injection well: ^{Federal}
Kersey-Willkops Texas Well No. 2 - Unit 5 - Section 6

E. A. Hanson Shugart Waterflood Project.

Injection well:
E. A. Hanson Payne #1 "A" Federal Well No. 1 - Unit 0 - Section 6

(2) That the aforementioned E. A. Hanson Shugart waterflood Project, comprising the SW 1/4 SE 1/4 and the SE 1/4 SE 1/4 of said Section 6, is hereby designated as an area wherein transfer of allowables between leases is permitted, provided said area ~~has been~~ ^{is} unitized or otherwise consolidated, or provided all persons owning working interests and/or royalty interests within said area ~~has~~ so agreed and evidence of such unitization, consolidation, or agreement is furnished the Santa Fe office of the Commission.



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

September 8, 1969

IN REPLY REFER TO:

Kersey and Company
Post Office Box 316
Artesia, New Mexico 88210

Gentlemen:

Your letter of September 3, 1969 requests approval for Kersey-Wittkopp to operate a waterflood of the Queen formation on that portion of oil and gas lease New Mexico 016789 described as follows:

T. 19 S., R. 31 E., N.M.P.M., Eddy County, New Mexico
sec. 6 : W $\frac{1}{2}$ SE $\frac{1}{4}$

You propose to convert to a water injection well the No. 2 Texaco located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 6 above.

The plan for operating the above described waterflood project as proposed in the application is satisfactory to this office, and hereby approved subject to like approval by the New Mexico Oil Conservation Commission and the following:

1. This project will be operated in compliance with the New Mexico Oil Conservation Commission regulations governing waterflood operations.
2. Duplicate copies of a monthly progress report (N.M.O.C.C. form C-120 acceptable) are to be submitted to this office showing the volume of water injected and average pressure for the injection wells, and production for the producing wells in the project area.
3. This approval does not preclude the necessity for further approval when the project is expanded to include other wells and leases, or the necessity to submit the usual notices and reports on wells involved.

Sincerely yours,

(Orig. Sgd.) JAMES A. KNAUF

James A. Knauf
District Engineer

cc: N.M.O.C.C., Santa Fe ✓
Roswell File - Accounts