

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 23, 1968

EXAMINER HEARING

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IN THE MATTER OF:)
)
Application of Kersey-Wittkopp and)
E. A. Hanson for two waterflood projects,) Case 3897
Eddy County, New Mexico.)
)
)
-----)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

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)

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

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

This is a project down in the south Chugart 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

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.

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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.

Ada Dearnley

 I do hereby certify that the ~~foregoing~~ ADA DEARNLEY
 a complete record of the proceedings in
 the Executive Hearing of Case No. 3897
 held by me on 10/23 1968
 _____, Director
 New Mexico Oil Conservation Commission