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

Apr 5 1969
EXAMINER HEARING

IN THE MATTER OF:)
)
)
 Application of Kersey &)
 Company for a waterflood project,)
 Eddy County, New Mexico.)
)

Case No. 4251

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING



MR. UTZ: Case Number 4251.

MR. HATCH: Case 4251. Application of Kersey & Company for a waterflood project, Eddy County, New Mexico. I think the record should show that Mr. Kersey has already been sworn.

MR. UTZ: The record will so show.

(Whereupon, Applicant's Exhibits A & B were marked for identification)

HAROLD KERSEY,

having been previously sworn, was examined and testified as follows:

MR.KERSEY: I'm Harold Kersey, Kersey and Company and this application is for a flood in the South Shugart area and it is into the Queen Sands and involved in the flood, referring to Exhibit A, there are six forties.

There will be two injection wells on the property. The number -- Welch No. A-2 and Welch No. A-4. The water for this project will be obtained from the Double Eagle Corporation. It will refer to Exhibit B, Schedule B, the Welch A-2 well, the eight and five-eighths casing on it is set at 900 feet with fifty sacks. The five and a half-inch casing is set at 3474 with a hundred and twenty-five sacks. And the Queen is open with perforations from 3336 to 3356.

The estimated top of the cement on the five and a half-inch casing is 2750 feet. The estimated top of the cement on the eight and five-eighths casing is 500 feet. Cement-lined tubing will be set with a tension packer at 3200 feet. The annulus will be filled with inhibited water and the estimated injection pressure will run from 1500 to 2000 pounds per square inch.

The annulus will be left open at the top so if any leaks become apparent, they can be immediately observed and taken care of. That's on the Welch A-2.

Welch A-4 is a little different in that eight and five-eighths is set at 863 with fifty sacks, and the five and a half-inch is set at 32-A-1 with a hundred and twenty-five sacks.

The difference is that the oil zone at 3315 to 3360, is an open hole. On this well, the cement-lined tubing will be set at 3200 feet with a tension packer, with annulus filled with inhibited water and on the other wells, the tubing head will be left open at the surface to catch any leaks that may occur. And the pressure will be the same on both wells, approximately 1500 to 2000 pounds per square inch.

It's anticipated the Shannon-Doyle will join us on this flood. They offset us to the north, and they're going

to make their Number 1-B well, as shown on this injection well at a later date, supposedly, after the first of the year. Their budget was taken up for this year so they couldn't go ahead at this time.

EXAMINATION

BY MR. UTZ:

Q Is the ownership of this entire tract, common?

A Yes, it is. The ownership of the six forties is common. I own one-third, Mr. Whitcock owns one-third, and we have a partner in Lubbock, Mr. Granbury that owns one-third.

Q Any other questions?

EXAMINATION

BY MR. HATCH:

Q What's the stage of depletion of the Welch wells?

A They're pretty well depleted. They're down to about two or three barrels per day per well and making some salt water, too. So, we're at a stage we're past the economic limit for producing. We will either have to flood or plug.

Q We had to make a correction in this last one, didn't we, at one time? Are these locations now correct?

A Yes, they're correct. I was away when the correction was made. I don't really know. My secretary told me when I

got back she made a correction when I was gone, so I don't really know what the correction was.

Q Number 2 is located in Unit G of Section 4, and 4 in Unit C of Section 4?

A Right. A, B, C. C and G, that's right. Number 4 is in Unit C and Number 2 is in Unit G.

MR. UTZ: Well, I really don't see that either because the foot location on your application is the same as it is on your exhibit. I think something else happened.

MR. HATCH: But it was advertised incorrectly.

THE WITNESS: She told me there was an error when I got back and that she had corrected it. I never bothered to find out what the error was.

MR. UTZ: Corrections the same as the first one. Any other questions? Witness may be excused.

Any statements in this case? The case will be taken under advisement. Hearing is adjourned.

