GRARIDGE CORPORATION
IBEX BUILDING POST OFFICE BOX 752
BRECKENRIDGE, TEXAS

November 29, 1962

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

Re: Application for Administrative Approval to Convert One Well to Water Injection Well in Artesia Flood No. 3, Eddy County, New Mexico

Gentlemen:

In accordance with Commission Order No. R-966-E, Graridge Corporation respectively requests administrative approval to convert the following well to a water injection well.

LEASE	WELL NO.	LOCATION
Resler Yates State	355	Unit A, Section 32, T18S, R28E

The following data pertinent to the proposed expansion are given:

(1) The proposed injection well is directly offset by a producing well which has shown response to the waterflood project. See attached Form C-116 and Exhibit No. 1.

(2) Exhibit No. 1 indicates all offset operators and injection wells in Artesia Flood No. 3. A copy of this application and a waiver form is being sent to Kersey and Company as they are the offset operators to the proposed expansion. This waiver will be forwarded to you as soon as it is received.

(3) Exhibit No. 2 indicates present injection well data. It is evicent that some of the injection wells are not as receptive to water injection as others, thus, it is desirable to place wells on injection as early as responses warrant in order to maintain a flood balance.

(4) Exhibit No. 3 gives performance curves for the overall waterflood project.

Resler Yates Well No. 355 was completed in the following manner:

7", 20# surface casing is set at 509' and cemented with 100 sacks of one-one posmix and 50 sacks regular neat cement. The hole was drilled to a total depth of 2064'. New 4½", 9.5# J-55 casing is set at 2061' and cemented with 100 sacks of one-one posmix and 25 sacks of regular neat cement. The casing was perforated in the First Grayburg from 2021½' to 2036' with two sand jet perforations per foot. The well was frac'd with a single stage of 9,500 gallons slick water containing 9,000# 20/40 sand and 3,000# 10/20 sand and 150# SCP-2 (gyp preventative). The well has been equipped with 2-3/8" cement lined tubing and tension type packer set at approximately 2000' - well below the depth of the top of the cement outside the 4½" casing. Water is to be injected down the tubing, through the casing perforations into the First Grayburg formation.

Any consideration by the Commission in expediting this matter will be greatly appreciated.

Yours very truly,

GRARIDGE CORPORATION

B. G. Harrison

B. G. Harrison
Manager of Secondary Recovery

BGH:vw
Attachments (4)

cc: Oil Conservation Commission
P. O. Drawer DD
Artesia, New Mexico

Mr. Frank Irby

Form C- 116
Revised (12/1/55

NEW MEXICO OIL CONSERVATION COMMISSION

GAS-OIL RATIO REPORT

OPERATOR Graridge Corporation POOL Artesia

ADDRESS Box 752, Breckenridge, Texas MONTH OF November, 1962

SCHEDULED TEST ..... COMPLETION TEST ..... SPECIAL TEST X (Check One)

(See Instructions on Reverse Side)

Lease	Well No.	Date of Test	Producing Method	Choke Size	Test Hours	Daily Allowable Bbls.	Production During Test			GOR Cu. Ft. Per Bbl.
							Water Bbls.	Oil Bbls.	Gas MCF	
BEFORE WATERFLOOD RESPONSE										
Resler Yates State	20	9/24/62	Pump	--	24	2	0	2	TSTM	TSTM
AFTER WATERFLOOD RESPONSE										
Resler Yates State	20	10/28/62	Pump	--	24	2	0	11	TSTM	TSTM
	20	11/15/62	Pump	--	24	2	0	18.5	TSTM	TSTM

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60 degrees F. Specific gravity base will be 0.60.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission. In accordance with Rule 301 and Appropriate Pool Rules.

(I certify that the information given is true and complete to the best of my knowledge.)

Date November 29, 1962

GRARIDGE CORPORATION
Company

By B. G. Harrison

Manager of Secondary Recovery
Title

GRARIDGE CORPORATION

MONTHLY WATER FLOOD REPORT

Injection Well Data

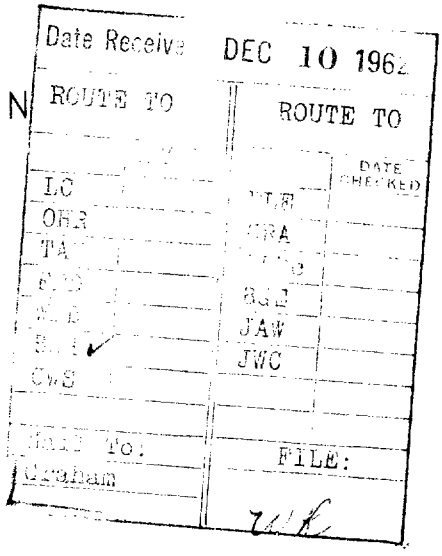
Project: Artesia Flood No. 3 Month: October 1962

Lease & Well No.	Total Water Input Month	Total Water Input Avg./Day	Injection Pressure	Cumulative Input
Resler Yates State 4	5,735	185	1035	354,466
5	SHUT IN			206,549
6	1,200	39	1120	173,615
7	3,768	122	1050	212,421
34	1,506	49	1100	84,588
341	1,750	56	1105	81,010
349	5,369	173	1060	107,325
FLOOD TOTAL (7)	19,328	624	1080(avg)	1,219,974

EXHIBIT NO. 2

GRARIDGE CORPORATION
IBEX BUILDING POST OFFICE BOX 752
BRECKENRIDGE, TEXAS

November 29, 1962



Kersey and Company
Booker Building
P. O. Box 316
Artesia, New Mexico

Gentlemen:

It is the desire of Graridge Corporation to expand the water injection program in the Artesia No. 3 Flood in Eddy County, New Mexico. The expansion is to include the following well:

LEASE	WELL NO.	LOCATION
Resler Yates State	355	Unit A, Section 32, T18S, R28E

A fifteen day waiting period is set up by the Commission unles waivers are obtained from all offset operators.

In order to expedite matters, please sign and return one copy of this letter to this office if you have no objection to the proposed expansion.

Yours very truly,

GRARIDGE CORPORATION

B. G. Harrison
Manager of Secondary Recovery

BGH:vw
Enclosures

SIGNED BY Harold Kersey

FOR Kersey & Co.

DATE Dec. 5, 1962

STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS
STATE ENGINEER

December 14, 1962

ADDRESS CORRESPONDENCE TO:
STATE CAPITOL
SANTA FE, N. M.

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Porter:

Reference is made to the application of the Graridge Corporation dated November 29, 1962, which seeks administrative approval to convert one well, Resler Yates State, Well No. 355, Unit A, Section 32, Township 18 South, Range 28 East, Eddy County New Mexico, to water injection well.

In view of the statement that injection will be through 2 3/8" cement lined tubing and tension type packer set at approximately 2000 feet well below the depth of the top of the cement outside the $4\frac{1}{2}$" casing, it appears that there will be no threat of contamination to the fresh waters which may exist in the area. Therefore, this office offers no objection to the granting of this application.

Very truly yours,

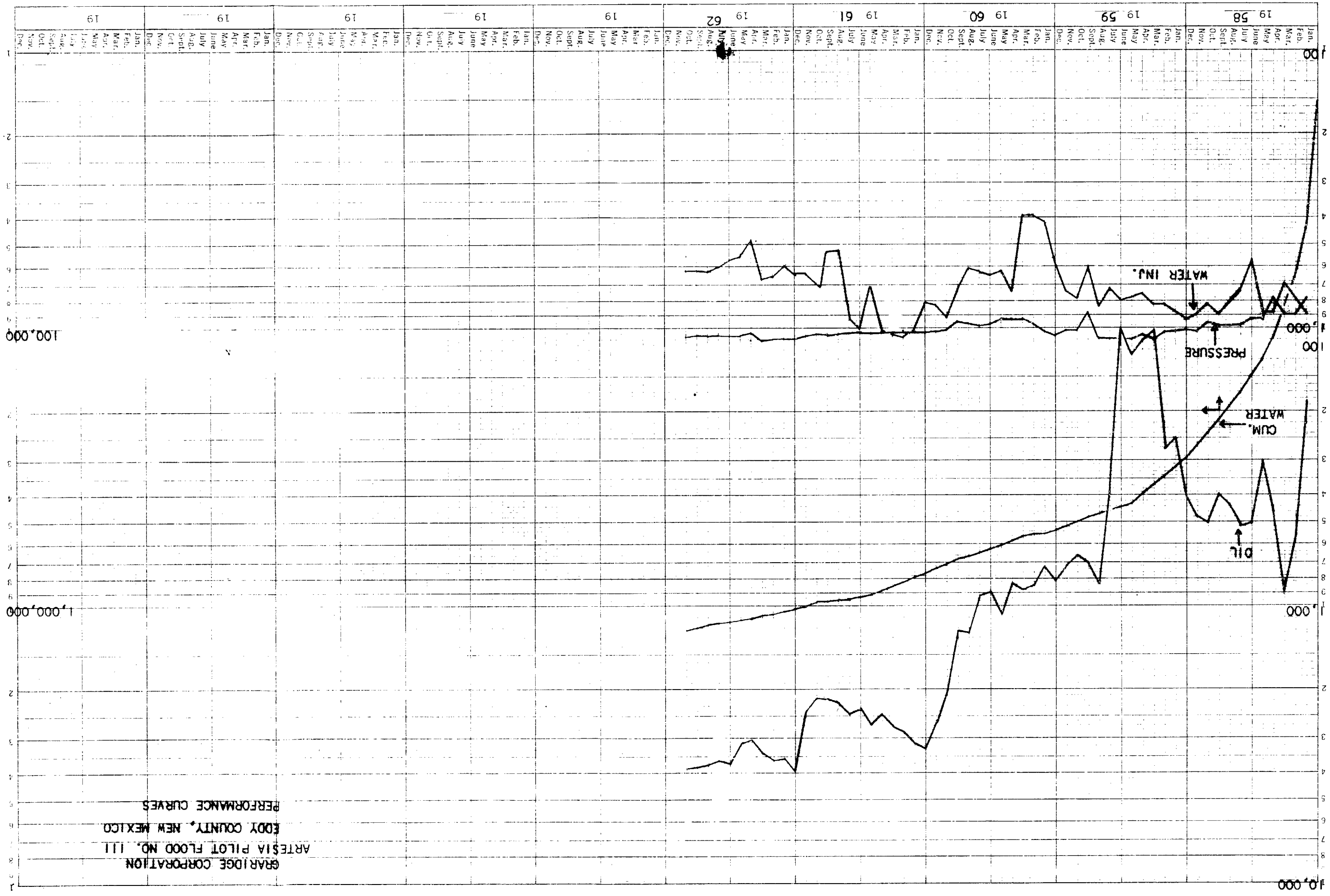
S. E. Reynolds
State Engineer

By: Frank E. Irby
Frank E. Irby
Chief
Water Rights Division

ma
cc-Graridge Corp.
F. H. Hennighausen

EXHIBIT NO. 3

GARRIDGE CORPORATION
ARTESIA PILOT FLOOD NO. III
EDDY COUNTY, NEW MEXICO
PERFORMANCE CURVES



10 YEARS BY MONTHS 359-205L
X 3 CYCLES
KEUFFEL & ESSER CO.
MADE IN U.S.A.