

*Entered April 16, 1974
A.S.P.*

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. 5194
Order No. R-4761

APPLICATION OF KERSEY & COMPANY
FOR A WATERFLOOD PROJECT, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 27, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of April, 1974, 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.

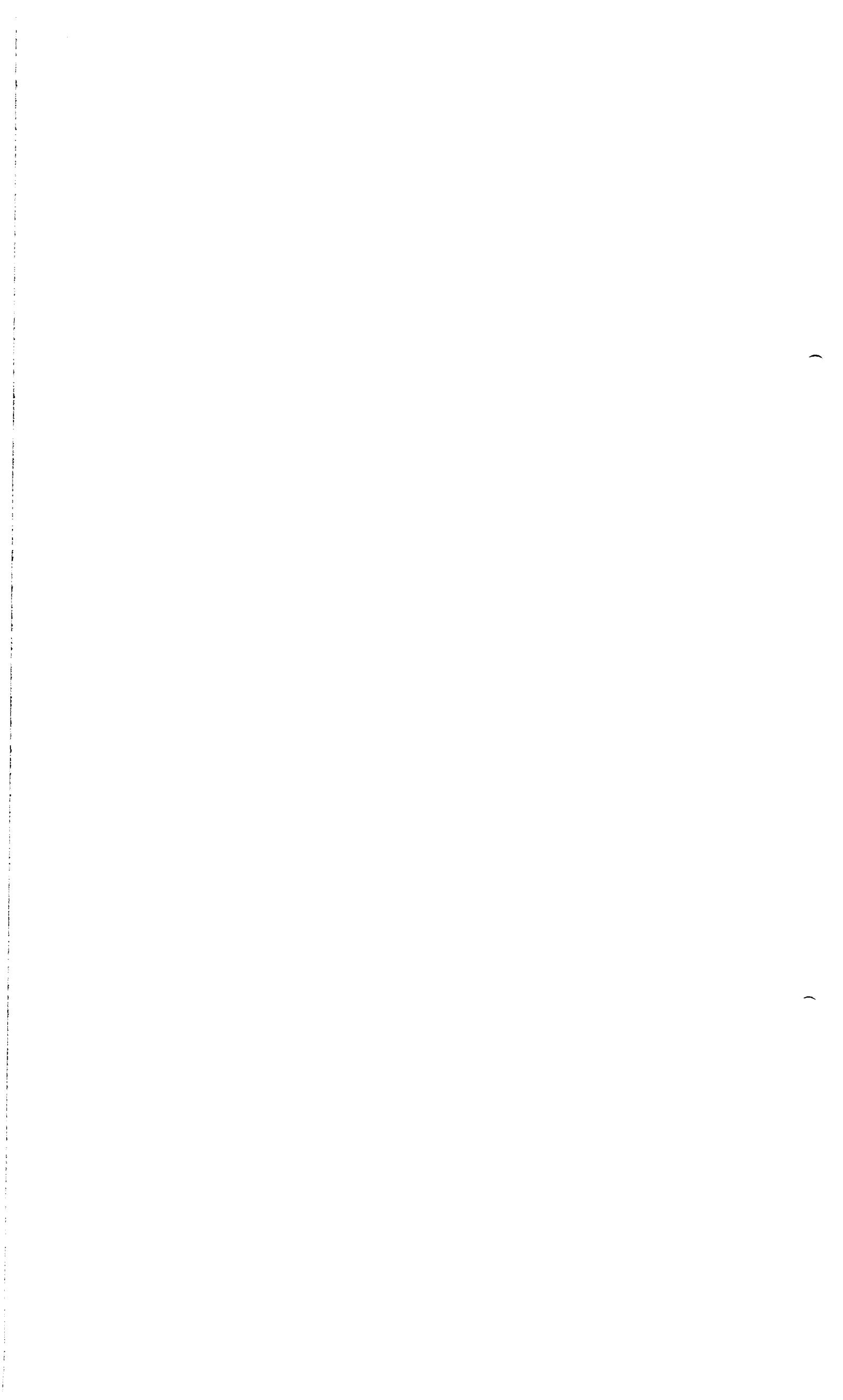
(2) That the applicant, Kersey & Company, seeks authority to institute a waterflood project in the Leo Pool, by the injection of water into the Grayburg formation through one injection well in Section 23, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico.

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

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

(5) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.



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IT IS THEREFORE ORDERED:

(1) That the applicant, Kersey & Company, is hereby authorized to institute a waterflood project in the Leo Pool, by the injection of water into the Grayburg formation through the following-described well in Section 23, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico:

<u>WELL NAME</u>	<u>WELL NO.</u>	<u>LOCATION</u>
Kersey & Company Creek	1	330' FNL & 1650' FWL

(2) That injection into said well shall be through plastic or cement-lined tubing, set in a packer which shall be located as near as possible to the casing-shoe and that the casing-tubing annulus shall be filled with an inert fluid and equipped with a pressure gauge or left open at the surface in order to determine leakage in the casing, tubing or packer.

(3) That the operator shall immediately notify the supervisor of the Commission's Artesia district office of the failure of the tubing or packer in said injection well, the leakage of any water or oil from around any producing well or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(4) That the subject waterflood project is hereby designated the Kersey & Company Creek-Leo Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

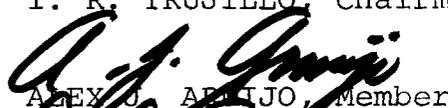
(5) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

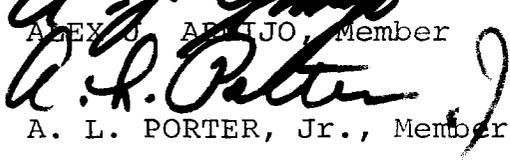
(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman


ALEX J. ARRIJO, Member


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

S E A L
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