

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

May 3, 1960

**Graridge Corporation
P. O. Box 752
Breckenridge, Texas**

Attention: Mr. B. G. Harrison

Gentlemen:

Reference is made to your application dated April 27, 1960, for administrative approval to expand Artesia Flood No. 2 by converting your Toomey Allen State Well No. 3 to a water injection well. When application was submitted you failed to include Form C-116 showing production test of Resler Yates State Well No. 383 before stimulation by waterflood. If you will include the omitted form with waiver from Kersey and Company the application can be processed upon receipt.

Very truly yours,

**J. E. KAPTEINA
Engineer**

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GRARIDGE CORPORATION

IBEX BUILDING

POST OFFICE BOX 752

BRECKENRIDGE, TEXAS

May 5, 1960

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

ATTENTION: Mr. J. E. Kapteina

Gentlemen:

Reference is made to your letter dated May 3, 1960, asking for a Form C-116 on our Resler Yates State Well No. 383 showing production test before stimulation of waterflood.

Resler Yates State Well No. 383 is a new well drilled to replace Resler Yates State No. 26 which we were unable to successfully re-enter. At the time of completing Well No. 383, the initial production was 30 barrels per day. Since the other producing wells in the immediate area are only making two (2) to four (4) barrels per day; such as, Resler Yates State No. 307 (SW/4, NE/4, Section 28) which is a new well that is making only one (1) barrel per day and Tommey Allen No. 1 (NW/4, SE/4, Section 28) which is making only four (4) barrels of oil per day. The thirty barrels initial production on Resler Yates State No. 383 indicates the well is responding to the water injection program offsetting it since the area is depleted as is indicated by other producing wells in the immediate vicinity.

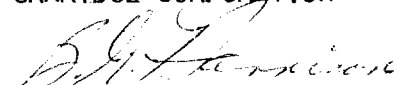
I believe this same reasoning was used in presenting data to obtain approval for converting Welch Duke State Nos. 19 and 20 to water injection to back up Welch Duke State No. 18 which was a new well that had received response at the time it was drilled. This data was presented in Case No. 1196 and approval for converting the two wells was granted in Order No. R-966-E dated July 15, 1959.

The waiver from Kersey & Company which you also requested in your letter was forwarded to your office on May 4, 1960.

If any additional information is needed, please advise.

Yours very truly,

GRARIDGE CORPORATION



B. G. Harrison
Manager of Secondary Recovery

SHL:BGH:gl