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Case 789
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MAIN OFFICE OCC

1954 NOV 3 PM 1:19

November 2, 1954

Mr. Bill Macey, Secretary
New Mexico Oil Conservation Commission
State Capitol
Santa Fe, New Mexico

Dear Mr. Macey:

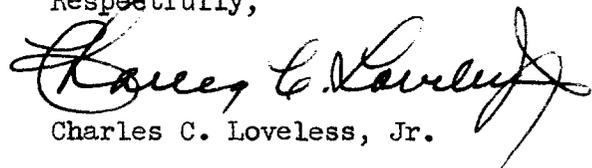
Enclosed find three copies of the Application of Kersey and Company for permission to inject water into Red Lake Pool, Eddy County, New Mexico for purposes of attempting a pilot water flood project.

I want to thank you at this time for permitting me an extension beyond the usual deadline for filing applications to be heard at the state-wide hearing during the current month.

We will plan to appear with one or more witnesses to give oral testimony at the public hearing.

Thank you in advance for your kind assistance. Warmest personal regards.

Respectfully,


Charles C. Loveless, Jr.

CCL: jy
Encls.

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Re: APPLICATION OF KERSEY AND COMPANY)
FOR PERMISSION TO INJECT WATER INTO)
THE RED LAKE POOL IN SECTION 20,)
TOWNSHIP 17 SOUTH, RANGE 28 EAST,)
N.M.P.M., EDDY COUNTY, NEW MEXICO FOR)
SECONDARY RECOVERY OF OIL.)

Case No. 789

A P P L I C A T I O N

COMES NOW Kersey and Company, and hereby makes application to the New Mexico Oil Conservation Commission for a permit to inject water into the Red Lake Pool in Eddy County, New Mexico for secondary recovery purposes and, in support of such Application, states:

1. That there is attached hereto, marked Exhibit "A" and made a part hereof, a plat showing the location of four proposed water input wells, which wells are Kersey and Company (formerly Delhi Oil Corporation) Nos. 1, 2, 3 and 4 Thompson-State located respectively, 2310' from the West line and 1650' from the South line; 990' from the West line and 1650' from the South line; 2310' from the West line and 330' from the South line; and 990' from the West line and 330' from the South line, all in the Southwest Quarter of Section 20, Township 17-South, Range 28-East, Eddy County, New Mexico. That Exhibit "A" shows also the location of a proposed new five-spot Red Lake production well to be located 1650' from the West line and 1000' from the South line of Section 20.

2. That the producing formation is a sandstone member lying within the Grayburg section and is found at approximately 1900 feet subsurface. That said Exhibit "A" shows the estimated pool limit and an isopachus contour of the thickness of the producing formation (not to be confused with the effective producing sand).

3. That the proposed new five-spot production well will be cored through the producing formation. That the cores will be analyzed to determine the content of unrecovered oil, porosity, permeability, probable recoverable oil by water flooding and adaptability of available water for the flood. That if the said core analysis demonstrates the feasibility of the flood, said four producing wells will be converted to input wells and a pilot flood commenced. That ultimately the flood area will be extended if the pilot flood proves effective and economical.

4. That Kersey and Company now have title to a water well capable of producing approximately 700 barrels of fresh water per day and filters settling tanks, storage tanks and high pressure pumps capable of delivering water to the head of the input wells at pressures in excess of 400 pounds per square inch. That said plant is located in Section 19, Township 17-South, Range 28-East, approximately one mile from the input wells.

5. That the four field wells to be converted to water input wells are presently producing a combined total of approximately three barrels of oil per day.

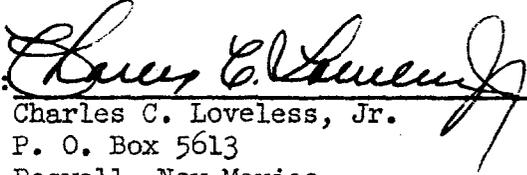
6. That the name and address of the operator of the project is:

Kersey and Company
P. O. Box 305
Artesia, New Mexico

WHEREFORE, applicant requests permission from the New Mexico Oil Conservation Commission to proceed with said secondary recovery pilot program, as set forth in the above Application.

KERSEY AND COMPANY

By:


Charles C. Loveless, Jr.
P. O. Box 5613
Roswell, New Mexico
Joint Venturer