

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. 789
Order No. R-568

THE MATTER OF THE APPLICATION OF
KERSEY AND COMPANY FOR PERMISSION
TO INSTITUTE A SECONDARY RECOVERY
PROGRAM BY WATER FLOODING THE GRAY-
BURG SAND OF THE RED LAKE OIL POOL OF
EDDY COUNTY, NEW MEXICO, SAID PROGRAM
TO CONSIST OF THE INJECTION OF WATER INTO
APPLICANTS THOMPSON-STATE WELLS NOS. 1,
2, 3 and 4, (FORMERLY OWNED BY DELHI OIL
CORPORATION), ALL OF WHICH ARE LOCATED
IN SW/4 OF SECTION 20, TOWNSHIP 17 SOUTH,
RANGE 28 EAST, NMPM, AND THE DRILLING OF
A FIFTH WELL FOR RECOVERY PURPOSES TO
BE KNOWN AS KERSEY AND COMPANY'S THOMPSON-
STATE WELL NO. 5, TO BE LOCATED 1650 FEET
FROM THE WEST LINE AND 1000 FEET FROM THE
SOUTH LINE OF SECTION 20, TOWNSHIP 17 SOUTH,
RANGE 28 EAST, NMPM, IN A SO-CALLED "FIVE-
SPOT" LOCATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on November 17, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 13th day of January, 1955, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing, and being otherwise fully advised in the premises,

FINDS:

- (1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That Kersey and Company is the owner of an oil and gas lease covering the SW/4 of Section 20, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.
- (3) That the program proposed by petitioner to accomplish the recovery of oil through water injection will tend to prevent waste through the production of oil which might not otherwise be recovered, and should be approved upon the condition that said program be conducted in a workmanlike manner.

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(4) That the proposed injection program can best be operated through the injection of water into applicant's Thompson-State Wells, 1, 2, 3 and 4 and the recovery of oil through a fifth well to be drilled as set out in the application.

(5) That a secondary recovery program through water injection is of an experimental nature in this particular pool, and periodic reports should be submitted to the Commission by the petitioner disclosing the progress of its program.

(6) That no objection has been entered to the granting of this application.

IT IS THEREFORE ORDERED:

1. That the application of Kersey and Company for permission to inject water into its Thompson-State Wells Nos. 1, 2, 3 and 4, all of which are located in the SW/4 of Section 20, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, for the purpose of effecting the recovery of oil through water injection should be, and the same hereby is granted.

2. That permission is hereby granted to inject water into the Grayburg producing formation of the Red Lake Oil Pool of Eddy County, New Mexico, through said injection wells.

3. That permission is further granted for the drilling of a fifth well for recovery purposes, such well to be known as Kersey and Company's Thompson-State No. 5, and to be located 1650 feet from the west line and 1000 feet from the south line of Section 20, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico in the Red Lake Oil Pool, said well to be drilled to an approximate depth of 1900 feet subsurface to a sand member within the Grayburg section.

4. That the operator-applicant shall submit monthly reports to the Commission showing the monthly oil production and water production, and the amount of water injected into the reservoir through each injection well.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms, Jr.
JOHN F. SIMMS, JR., CHAIRMAN

E. S. Walker
E. S. WALKER, MEMBER

W. B. Macey
W. B. MACEY, MEMBER & SECRETARY

