KERSEY & COMPANY

Phone SH 6-3671 • P. O. Box 316 • 808 W. Grand
ARTESIA, NEW MEXICO 88210

October 1, 1968

Re: Water Flood Project, Turkey Track Queen Grayburg Field

State of New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Secretary Director, Mr. A. L. Porter, Jr.

Dear Sir:

It is respectfully requested that in order to promote conservation Kersey & Hanson, Yates Drilling Company, and John H. Trigg be given approval for the water flood project which includes the injection wells hereinafter listed.

This project will be a cooperative flood with each party injecting into his own well, producing his own oil and having an allowable based on his own total productive acreage.

A line drive pattern is projected, and later it may be developed further by additional injection wells.

It is proposed to use the produced Wolfcamp water of John H. Trigg from his well located in SE SE Section 20, T18S, R29E, This will be supplemented with water from Double Eagle Corporation when it becomes available.

Hereinafter are listed the proposed injection wells:

John H. Trigg, Sivley Jennings #2, located in NW SW, Section 28, T18S, R29.
Kersey & Hanson Y. D. #2, located in SE NW, Section 28, T18S, R29E.
Yates Drilling Company Y. D. #3, located in NW NE Section 28, T18S, R29E.
Kersey & Hanson Denton #1, located in SE SE Section 21, T18S, R29E.

Exhibit "A" shows the area and wells within 2 mile radius of the proposed flood.

Exhibit "B" shows in detail the proposed flood.

October 1, 1968
Page 2
Oil Conservation Commission

Exhibit "C", "D", "E", and "F" shows how each injection well is to be completed.

Copies of this application and attachments will be sent to all offset operators as listed below, and also to the U.S.G.S. office.

The operators constituting this cooperative flood will upon approval of the flood immediately notify the New Mexico Oil Conservation Commission of injection operations and abide by the rules and regulations as set out in the Order and will also file and maintain accurate records as required by the New Mexico Oil Conservation Commission.

Yours very truly,

KERSEY & COMPANY

Harold Kersey

HK:cg

CC: U.S.G.S.

Bond Operating Company

Gordon M. Cone

Yates Drilling Company