

CASE 3446: Appli. of KERSEY & CO.
to amend Order R-2908 (waterflood) _____
Eddy County, New Mexico.

Case Number

3446

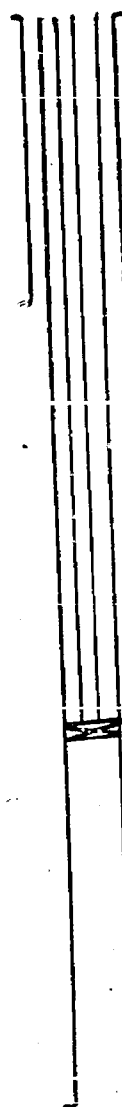
Application

Transcripts.

Small Exhibits

ETC.

For Injection ~ Well #15 SW SE Sec. 32-17-29



8 5/8" Casing at 306' with 50 Sacks,

Perforations 2566-72'

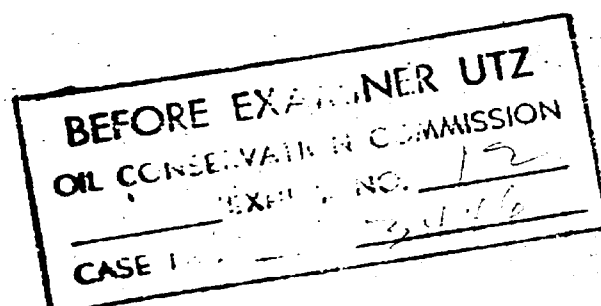
" " 2688-92'

" " 2741-46'

4 1/2" Casing at 2766' with 200 Sacks.

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer at 2500'.



For Injection - Well #7 SW NE Sec. 32-17-29



8 5/8 Casing at 350'

Perforations 2507-12'

Perforations 2624-28'

" " 2630-37'

" " 2640-46'

" " 2676-90'

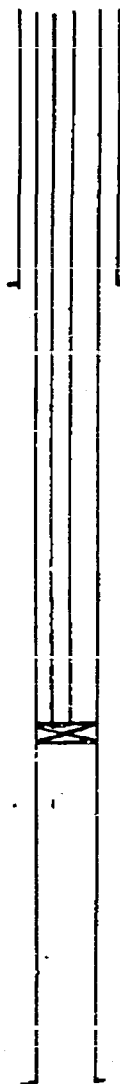
4 1/2" Casing at 3100' with 250 Sacks

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer set at 2475'.

WAS NE 32-17-29
ON COMPLETION
BIT NO. 2
CASE NO. 2014

For Injection ~ Well #9 NE SE Sec. 32-17-29



Ran 350' 8 ⁵/₈" Casing with 100 Sacks

Perforations 2548-56'

" " 2728-35'

Ran 2755' of 4 ¹/₂" Casing with 200 Sacks

Proposed Procedure:

1. Clean out to T. D.
2. Run 2" Cement lined tubing with Tension Packer set at 2500'.

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	9
CASE NO.	4, 4742

For Injection - Well # 11 NE SW Sec. 32-17-29



8⁵/₈" Casing at 328' with 30 Sacks,

Perforations 2536-2544'

Perforations 2850-59'

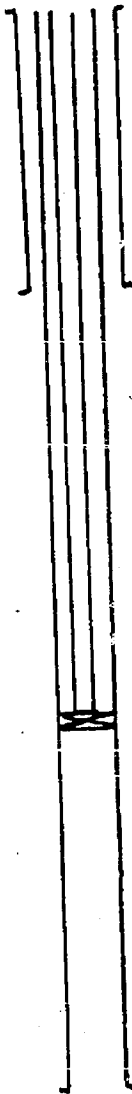
4¹/₂" Casing at 3015' with 200 Sacks,

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer set at 2500'.

BEFORE	MINER UTZ
OIL CONSERVATION	COMMISSION
_____	EX. NO. 70
CASE NO.	2416

For Injection: Plugged Well SW/4 SW/4 Sec. 32-17-29
Proposed well to be numbered 13.

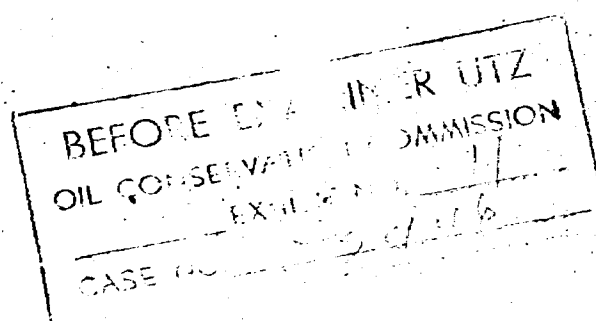


8 7/8" casing at 360' with 100 sacks.

Proposed Procedure:

1. Run 4 1/2" Casing to casing stub at 2400' - Cement
With 100 sacks.
2. Perforate 5 1/2" Casing below 4 1/2" Casing as follows:
 - a. 2510 - 20'
 - b. 2660 - 70'
3. Open Perforations by fracturing.
4. Run 2" cement lined tubing with Tension
Packer at 2375'

5 1/2" Casing at 2700' with 100 sacks.



DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 24, 1966

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 3437: (Continued and readvertised from the August 3, 1966 Examiner Hearing)

Application of Anadarko Production Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Pearsall Queen Sand Unit waterflood project by the injection of water into the Queen formation through one well to be drilled at an unorthodox location 25 feet North of the South line and 25 feet West of the East line of the SE/4 NW/4 of Section 4, Township 18 South, Range 32 East, Lea County, New Mexico.

CASE 3443: Application of Mobil Oil Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the approval of its Northeast Square Lake (Premier) Unit Area comprising 2,200 acres, more or less, of Federal and State lands in Township 16 South, Range 31 East, Eddy County, New Mexico.

CASE 3444: Application of Mobil Oil Corporation for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Northeast Square Lake (Premier) Unit by the injection of water into the Premier Sand of the Grayburg formation through 14 wells located in Sections 2, 3, 9, 10, and 11, Township 16 South, Range 31 East, North Square Lake Pool, Eddy County, New Mexico.

CASE 3445: Application of Kersey & Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formation through two wells located in Section 32, Township 17 South, Range 32 East, Maljamar Pool, Lea County, New Mexico.

CASE 3446: Application of Kersey & Company for an amendment to Order No. R-2908, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-2908 which authorized a waterflood project in the Old Loco Unit, Loco Hills Pool, Eddy County, New Mexico. Applicant seeks authority to substitute 8 wells in Section 32, Township 17 South, Range 29 East, for the 6 wells previously authorized for injection so that the injection pattern will conform to that of a nearby project currently in operation.

CASE 3447: Application of Texas Pacific Oil Company for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the North Bagley Middle-Pennsylvanian and North Bagley Upper-Pennsylvanian Pools in the wellbore of its J. P. Collier Well No. 1 located in Unit F of Section 10, Township 11 South, Range 33 East, North Bagley Field, Lea County, New Mexico.

-2-

Docket No. 21-66

CASE 3448: Application of Pan American Petroleum Corporation for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its South Mattix Unit Well No. 21 at an unorthodox location 1873 feet from the South line and 2087 feet from the West line of Section 15, Township 24 South, Range 37 East, Fowler Ellenburger Pool, Lea County, New Mexico.

KERSEY & COMPANY

DRILLING AND OIL PRODUCTION

1966 AUG -4 AM 5:18 PM Phone SH 6-3671 • P. O. Box 316 • N. W. Grand
ARTESIA NEW MEXICO 88210

STATE OF NEW MEXICO
SANTA FE, N.M.

August 3, 1966

32-175-29E

Re: Old Loco Unit
Section 32, T17S
R29E, Eddy County,
New Mexico

Mr. Frank E. Irby
State Engineer's Office
P. O. Box 1079
Santa Fe, New Mexico

Dear Mr. Irby:

Your letter has been received concerning our application to change the pattern on the above flood and for which a hearing is set for August 24th.

Relative to the sketch on well #7, the records were rather meager and I could not determine definitely about the cement. The records do not disclose any surface water in this area, and we drilled a well 660' south of this location which was without surface water. I will appreciate your advising how to handle this situation.

With regard to the plugged well #13, the diagram should be changed to read 2375' for the packer rather than 2475'. An inflatable packer could be used at 2475', but they are not too practical for this use and it would be better to use a tension packer at 2375'.

Any suggestions or help you can render will be gratefully appreciated.

Sincerely,

KERSEY & COMPANY

Harold Kersey

Harold Kersey

HK:cg

Miller & Smith Petroleum Account

*No cement
C-103 Aug. 29, 1957*

*Jim -
Please note
Frank*

July 27, 1966

Kersey and Company
P. O. Box 316
Artesia, New Mexico 88210

Gentlemen:

Reference is made to your application to the Oil Conservation Commission which seeks to change the injection pattern for the old Loco Unit. The Commission has advised me that this has been set down for hearing on August 24th due to the fact that it cannot be handled administratively.

On the diagrammatic sketch of your well #7, the surface casing is shown as 8 5/8 inches at a depth of 350 feet, but no mention is made concerning the cementing of this surface casing. I assume this was an oversight on the part of your draftsman and I would appreciate the information you may be able to furnish me pertaining to this item.

With regard to your proposed well to be numbered 13, which is presently a plugged and abandoned well in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 32, T. 17 S., R. 29 E., I am assuming, from the information on the diagrammatic sketch, that the 5 $\frac{1}{2}$ inch casing was shot off at about 2400 feet when the well was plugged and abandoned and that the 4 $\frac{1}{2}$ inch casing which you propose to run would be set inside the stub of the 5 $\frac{1}{2}$ inch casing with 100 sacks of cement. The sketch also indicates that the tension packer on the end of the tubing will be set in the 5 $\frac{1}{2}$ inch casing rather than the 4 $\frac{1}{2}$ inch. This appears to me, but not being familiar with the mechanics of your operation, I am curious to know if a packer, which will go down through the 4 $\frac{1}{2}$ inch casing, will expand sufficiently to create a seal in the 5 $\frac{1}{2}$ inch casing.

Since my theories and questions are based on assumptions, I would appreciate your advising me as to what the factual situation is with regard to the well to be numbered 13.

FEI/na

cc=F. H. Hennighausen

Very truly yours,

Frank E. Irby
Chief, Water Rights Div.

Jim
Please note
Frank

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

Case 3446

July 18, 1966

Kersey and Company
P. O. Box 316
Artesia, New Mexico 88210

Attention: Mr. Harold Kersey

Gentlemen:

By your application dated July 13, 1966, you requested revision of Order R-2908, by administrative procedure, to change the injection pattern for the Old Loco Unit Waterflood Project. Legally, this is not possible; therefore, the matter will be set for hearing before an examiner to be heard on August 24.

Very truly yours,

J. E. KAPTEINA
Engineer

JEX/og

DOCKET MAILED

Date 8-11-66
h

C
O
P
Y

Eddy
NEW MEXICO OIL CONSERVATION COMMISSION
MISCELLANEOUS REPORTS ON WELLS

1957 AUG 23 PM 1:29
(Submitted to appropriate District Office as per Commission Rule 1106)

COMPANY MILLER & SMITH PETROLEUM ACCOUNT 302 Carper Building, Artesia, New Mexico
(Address)

LEASE Texas Gulf State WELL NO. 1 UNIT G S 32 T 17S R 29E

DATE WORK PERFORMED 8-27-57 POOL Grayburg-Jackson

This is a Report of: (Check appropriate block) ☒ Results of Test of Casing Shut-off

☐ Beginning Drilling Operations

☐ Remedial Work

☐ Plugging

☐ Other _____

Detailed account of work done, nature and quantity of materials used and results obtained.

C-101 called for 8 5/8" casing set at 350' w/50 sac cement. As a change of plans, and as outlined verbally with Mr. M. L. Armstrong on this day, the 8 5/8" was set at 314' (a few feet below the top of the salt) and a formation shut-off secured. Drilling was resumed in a dry hole. Should water break in, corrective measures will be taken.

FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY

Original Well Data:

DF Elev. _____ TD _____ PBD _____ Prod. Int. _____ Compl Date _____

Tbng. Dia _____ Tbng Depth _____ Oil String Dia _____ Oil String Depth _____

Perf Interval (s) _____

Open Hole Interval _____ Producing Formation (s) _____

RESULTS OF WORKOVER:

BEFORE

AFTER

Date of Test _____

Oil Production, bbls. per day _____

Gas Production, Mcf per day _____

Water Production, bbls. per day _____

Gas-Oil Ratio, cu. ft. per bbl. _____

Gas Well Potential, Mcf per day _____

Witnessed by _____

(Company)

OIL CONSERVATION COMMISSION

Name M. L. Armstrong

Title WELL AND GAS INSPECTOR

Date AUG 28 1957

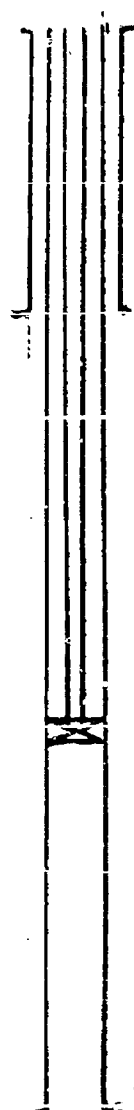
I hereby certify that the information given above is true and complete to the best of my knowledge.

Name V. J. [Signature]

Position Manager

Company MILLER & SMITH PETROLEUM ACCOUNT

FOR INJECTION-WELL #1 NE NE Sec. 32-17-29



8 5/8 Set at 302' With 50 Sacks

Perforated 2586-92'

Perforated 2871-87'

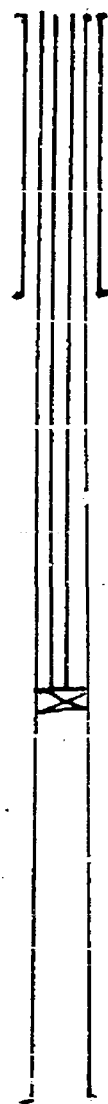
4 1/2" Casing set at 2900' with 175 Sacks

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer set at 2500'.

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	5
CASE NO.	3446

FOR INJECTION-WELL# 3 NE NW Sec 32-17-29



8 $\frac{5}{8}$ " Set at 328' With 50 Sacks

Perf. 2486-92'
" 2494-00
" 2642-48'
" 2654-60

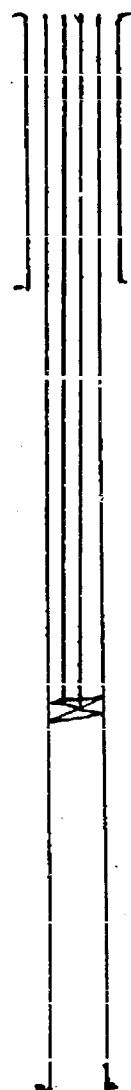
5 $\frac{1}{2}$ " Casing set at 2678' with 100 Sacks

Proposed Procedure:

1. Clean out to T.D
2. Run 2" Cement lined tubing with Tension Packer set at 2500'

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 6
DATE 10/1/60

For Injection ~ Well #5 SW NW Sec. 32-17-29



8 5/8 Casing at 400' with 75 Sacks

Perforated 2537-47

Perforated 2700-2708

7" Casing to 2736' with 100 sacks

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension
Packer set at 2500'

BEFORE EX. OWNER UTZ
OIL CONSERVATION COMMISSION
CASE NO. 4,446

OIL CONSERVATION COMMISSION

P. O. BOX 2055

SANTA FE, NEW MEXICO

October 18, 1966

C
Mr. Harold Kersey
Kersey & Company
Post Office Box 316
808 West Grand
O Artesia, New Mexico

P
Dear Sir:

Reference is made to commission Order No. R-3110, recently entered in Case No. 3446, approving the revised Old Loco Unit Waterflood Project.

P
Injection is to be through the eight authorized water injection wells, each of which shall be equipped with tubing and packer, said packers being set as near to the upper perforation as is practicable.

Y
As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 672 barrels per day when the Southeast New Mexico waterflood allowable factor is 42.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned commission offices by letter of

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

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Mr. Harold Kersey
Kersey & Company
Artesia, New Mexico

any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. POTTER, Jr.
Secretary-Director

ALP/DSH/ir

cc: Mr. Frank Irby
State Engineer Office
Santa Fe, New Mexico

Oil Conservation Commission Offices in Hobbs and Artesia

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. 3446
Order No. R-3110

APPLICATION OF KERSEY & COMPANY
FOR AN AMENDMENT TO ORDER NO.
R-2908, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 24, 1966, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 30th day of August, 1966, 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 by Order No. R-2908 dated May 10, 1965, the Commission authorized the institution of a waterflood project in the Old Loco Unit Area, Grayburg-Jackson and Loco Hills Pools, by the injection of water into the Grayburg formation through six wells in Section 32, Township 17 South, Range 29 East, EDDY, Eddy County, New Mexico.

(3) That the applicant, Kersey & Company, seeks amendment of Order No. R-2908 to substitute eight injection wells for the six injection wells authorized therein.

(4) That approval of the subject application should increase the efficiency of the subject waterflood project, and otherwise prevent waste and protect correlative rights.

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CASE NO. 3446

Order No. R-3110

IT IS THEREFORE ORDERED:

(1) That Order No. R-2908 dated May 10, 1965, is hereby amended to authorize, in lieu of the water injection wells described therein, the following-described water injection wells:

EDDY COUNTY, NEW MEXICO

SECTION 32, TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMFM

Old Loco Unit Well No. 1, located in the NE/4 NE/4
Old Loco Unit Well No. 3, located in the NE/4 NW/4
Old Loco Unit Well No. 5, located in the SW/4 NW/4
Old Loco Unit Well No. 7, located in the SW/4 NE/4
Old Loco Unit Well No. 9, located in the NE/4 SE/4
Old Loco Unit Well No. 11, located in the NE/4 SW/4
Old Loco Unit Well No. 15, located in the SW/4 SE/4
A presently plugged well located in the SW/4 SW/4
to be designated Old Loco Unit Well No. 13.

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

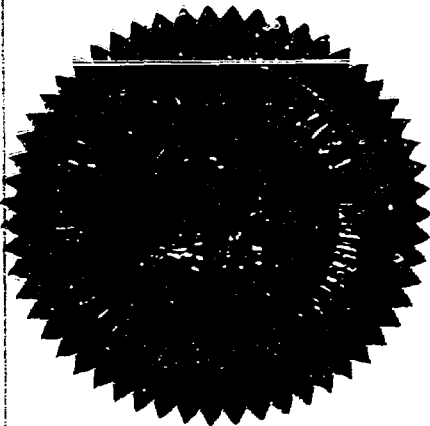
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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



ssr/

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

LAND COMMISSIONER
GUYTON B. HAYS
MEMPHIS

P. O. BOX 2088
SANTA FE

August 30, 1966

Mr. Harold Kersey
Kersey & Company
Post Office Box 316
808 West Grand
Artesia, New Mexico

Re: Case No. 3446
Order No. R-3110
Applicant: Kersey & Company

Dear Sir:

Enclosed herewith is a copy of the above-referenced Commission order recently entered in the subject case. Letter pertaining to conditions of approval and maximum allowable to follow.

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC

Other Mr. Frank Irby

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMAS BLDG. • P. O. BOX 1092 • PHONE 243-6391 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 24, 1966

Application of Kersey and Company for an
amendment to Order No. R-2908, Eddy County,
New Mexico.

CASE NUMBER
3446

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 24, 1966

Application of Kersey and Company for an
amendment to Order No. R-2908, Eddy County,
New Mexico.

CASE NUMBER
3446

BEFORE:

ELVIS A. UTZ, Examiner

TRANSCRIPT OF HEARING

HEARING EXAMINER ELVIS A. UTZ: Case Number 3446.

MR. GEORGE HATCH: Case number 3446. Application of
Kersey and Company for an amendment to Order Number R-2908,
Eddy County, New Mexico.

MR. UTZ: The appearances in this case?

MR. KERSEY: Harold Kersey.

MR. HATCH: Would the record show that Mr. Kersey
has already been sworn.

MR. UTZ: And also that Mr. Kersey is representing
himself as he did in the last case and that it is the same Mr.
Kersey that appeared in Case 3445.

You may proceed.

(Whereupon, Exhibits One through Thirteen were marked.)

MR. KERSEY: The purpose of this hearing is to obtain

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TEST MONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO
1203 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO

PAGE 3

approval to change the flood pattern and the reason for changing the flood pattern, approval had been obtained approximately a year ago on this same unit to flood but due to hold up in signatures, the flood was not started and in the meantime Tenneco has obtained approval and started to flood in Section 28, referring to Exhibit Number Thirteen and in contacting the adjacent operator, Depco, Depco has agreed to cooperate with us to back up the flood on our east side providing we will put our flood in phase with the Tenneco flood that is already in operation.

Well, we thought that it was necessary to make this change in order to create a uniform pattern for the flooding, otherwise we would have been isolated without back up on our east side and I have contacted the other operators which will back us up as the flood reaches them, so we have prepared these papers showing our proposed change, which is on a five spot pattern and I herewith submit it.

Exhibit Number Two points out the formerly approved injection wells and the proposed injection wells. Exhibits Number Three and Four are excerpts of the gamma neutron logs of the zones to be flooded.

MR. UTZ: These are the same as in Case 2908?

MR. KERSEY: That is right.

Then we come to Exhibits Number Five through Twelve, which are the wells showing the casing pattern, the surface

pipe, the production string, where perforated, and the packer locations.

All the wells that are being injected into will have casings cemented through the zone and through perforations with the exception of the number thirteen injection well, which is a plugged well at the present time and an old well and we will have to go back into it and open it up and will inject underneath the casing into the zones.

Mr. Irby had raised a point. When I submitted this plat originally, I showed the packer set below the stub in the five and a half inch casing which would make an impossible situation since I am going to run four and a half inch casing down to the stub and cement it and we will test the well and then we will set the packer in this particular well up in the four and a half casing.

MR. IRBY: This test will be on a seal between the four and a half and the five and a half?

MR. KERSEY: That is right.

And there was one other well that Mr. Irby had written me about, that I couldn't find any information as to the cement on the surface casing but in this particular area, there isn't any water of any kind because we had drilled a well adjacent to it and found no water. The casing could have been cemented. It is a well that I bought but I couldn't find anything in the

records to indicate the amount of cement. Do you remember which well that was, Mr. Irby?

MR. IRBY: It was number seven which is your Exhibit Eight.

MR. KERSEY: Yes, Exhibit Eight. Yes, I show the eight and five-eighths casing at 350 feet and that's all because that's all I could find.

MR. UTZ: You don't know whether they used any cement at all?

MR. KERSEY: I really don't. I couldn't find it in the records and as I say I bought the well and I can't really tell too much about it.

MR. UTZ: How old is that well?

MR. KERSEY: It is about fifteen years old, something like that, between ten and fifteen.

The production on this lease has declined to the point where that fifteen producing wells are making approximately thirty barrels of oil per day which is about two barrels per well at the present time.

MR. UTZ: In any case, well number seven surface is probably adequate would you think, in view of that?

MR. KERSEY: I would think that it is.

MR. UTZ: The damage has either been done or else there isn't any water there to damage any.

MR. KERSEY: That's right. Its either been done or no water.

MR. UTZ: Who did you purchase this well from, do you know?

MR. KERSEY: Miller and Smith. They are an Albuquerque firm and they are a building contractor so they are really not in the oil business. All I could take was their records.

MR. UTZ: Did they drill the well?

MR. KERSEY: They hired the well drilled. Yes, they drilled it, but I just couldn't find anything on it and nobody seemed to know anything, so I just left her vacant there where the cement was because that's all I could do.

MR. UTZ: Does that complete your testimony?

MR. KERSEY: Yes, I think that pretty well covers it. The main thing is to change the pattern on account of the adjacent operators and permission has already been granted to flood this area before, so if there are any questions, I would be happy to try to answer them.

MR. IRBY: Frank Irby, State Engineer's Office.

Mr. Kersey, you said you drilled a well near this number seven and got no water. What was the location of that well, please, sir?

MR. KERSEY: The number seven -- it would be about 600 -- we just drilled a test hole there to see if there was

any water in that area. It was about 600 feet south of it.

MR. IRBY: And how deep did you drill?

MR. KERSEY: We drilled down to 220 feet.

MR. IRBY: Two hundred and twenty feet and what were you in?

MR. KERSEY: Red beds.

MR. UTZ: And you found no water?

MR. KERSEY: No water.

MR. IRBY: Do you know well enough the other wells in the vicinity of seven to know whether water was encountered in any of them?

MR. KERSEY: The logs do not show any. Right in that particular area it shows no water.

MR. IRBY: But this test hole is the only one that you drilled?

MR. KERSEY: That is right. Now I drilled a well -- I had, when this unit was formed, I owned well number sixteen and well number fourteen and number sixteen was devoid of water too and number fourteen is an old well that was drilled in '41 or '42 and I don't know anything about it but I did drill number sixteen.

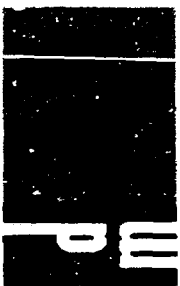
MR. IRBY: When was number sixteen drilled?

MR. KERSEY: About 1951 and there was no water. The water in that area is brackish anyway and it is not fresh water.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO
1203 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO



PAGE 8

MR. IRBY: That's all I have.

MR. UTZ: Any other questions?

MR. HATCH: Did you prepare these exhibits?

MR. KERSEY: Yes, I did.

MR. HATCH: Would you like to have them introduced
in evidence?

MR. KERSEY: I would, please.

MR. UTZ: Exhibits One through Thirteen will be entered
into the record of this case.

Any other statements?

The case will be taken under advisement.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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1203 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO



STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

I, W. DON MC INTYRE, Notary Public in and for the
County of Bernalillo, State of New Mexico, do hereby certify that
the foregoing and attached Transcript of Proceedings before
the New Mexico Oil Conservation Commission was reported by
me, and that the same is a true and correct record to the
best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 24th Day of August, 1966.

W. Don Mc Intyre
W. DON MC INTYRE

My Commission Expires:

July 14, 1970

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 3446,
heard by me on August 24, 1966.
[Signature] Examiner
New Mexico Oil Conservation Commission

Case. 3446

Heard. 8-24-66

Rec. 8-25-66

1. Grant Harold Kersey Permission to revise R-2805 as to the 8 injection wells approved by that order.
2. This is necessary in order to ~~conform~~ conform to the injection pattern already in use by the oil floods.

Thos. A. V. G.

KERSEY AND COMPANY.

P. O. Box 316
Artesia, New Mexico 88210
July 13, 1966

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

ATTENTION: Mr. A. L. Porter, Jr., Secretary-Director

KERSEY & COMPANY REQUEST ADMINISTRATIVE
APPROVAL TO CHANGE THE INJECTION PATTERN
FOR THE OLD LOCO UNIT, SECTION 32,
TOWNSHIP 17 SOUTH, RANGE 29 EAST,
EDDY COUNTY, NEW MEXICO

Gentlemen:

New Mexico Oil Conservation Commission approved a water flood
project on the above unit by order No. R-2908 dated May 10, 1965.

Since that time while working out details and obtaining approval
of the unit, Tenneco Oil Company has obtained approval and initiated a flood
in Section 28, Township 17S, Range 29 East. The pattern of their flood is
approximately 180° off our proposed pattern. Since it is necessary to obtain
cooperation from the adjoining leases we feel that in the interest of conser-
vation that our pattern should be changed to conform to the flood under way.

In lieu of the following injections, namely:

Old Loco Unit #16 located in SE SE
Old Loco Unit #14 located in SE SW
Old Loco Unit # 8 located in SE NE
Old Loco Unit #12 located in NW SW
Old Loco Unit # 6 located in SE NW
Old Loco Unit # 4 located in NW NW

We propose to use for injection the following wells:

Old Loco Unit # 1 located NE NE
Old Loco Unit # 3 located NE NW
Old Loco Unit # 5 located SW NW
Old Loco Unit # 7 located SW NE
Old Loco Unit # 9 located NE SE
Old Loco Unit #11 located NE SW
Old Loco Unit, Plugged well located SW SW to be numbered 13
Old Loco Unit #15 located SW SE

In support of the request and as required by rule 701-B, the following data is attached:

1. A plat showing locations of the proposed injection wells and location of all wells within a radius of two miles from the injection wells and formations from which wells are producing or have produced. Lessee of record are indicated on the plat.

2. Excerpts showing Gamms Neutron logs of the pays to be flooded on two of the wells.

3. A schematic drawing showing each well, its casing depths, cement, perforations and packer settings.

A copy of this letter with attached data is being forwarded by certified mail to the State Engineer's office, Box 1079, Santa Fe, New Mexico and to the offset operators.

Your consideration and approval of the proposed change is respectfully requested.

Yours very truly,

KERSEY & COMPANY



Harold Kersey

HK:cg

CC: State Engineer
P. O. Box 1079
Santa Fe, New Mexico

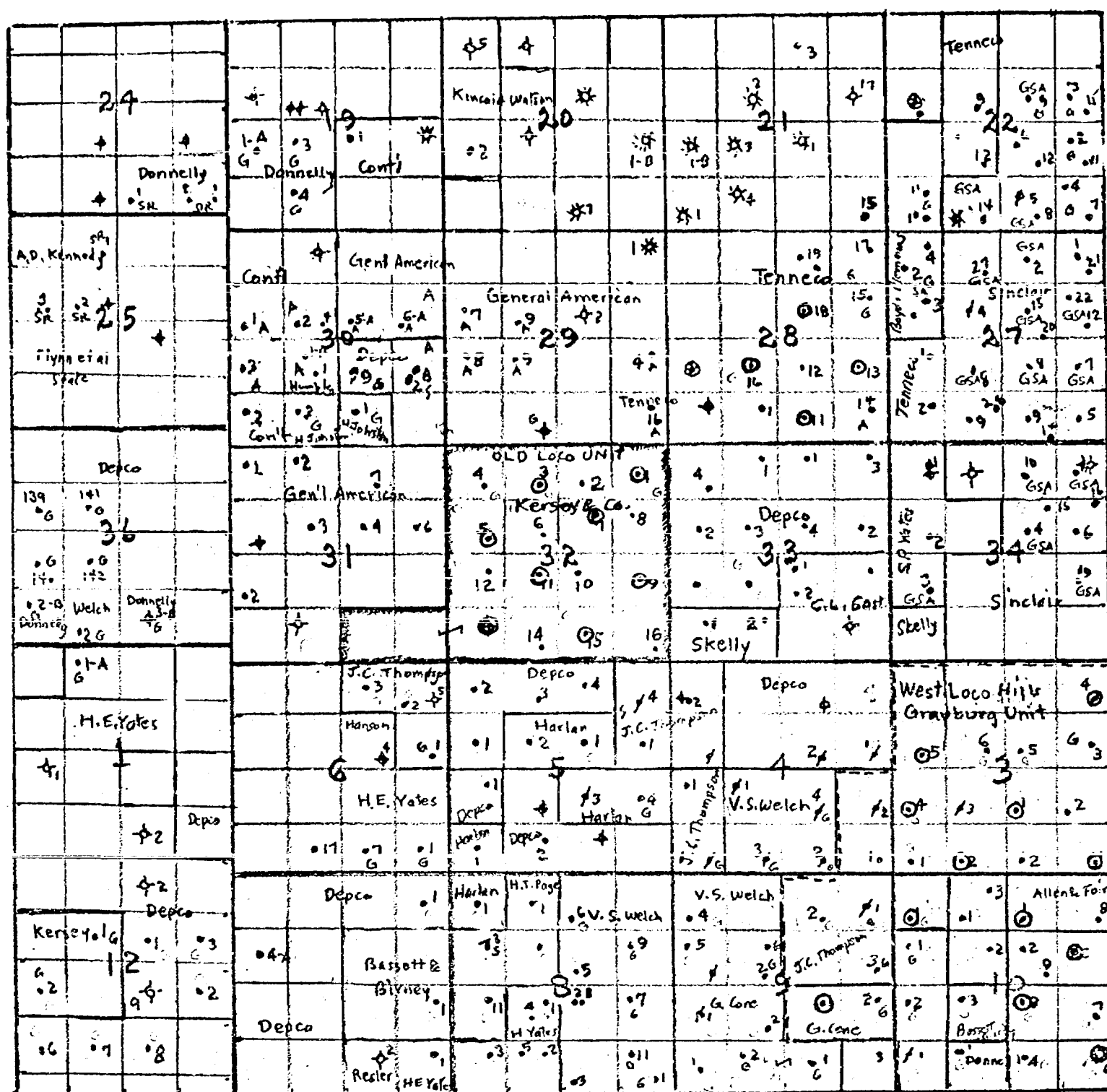
Depco, Inc.
119 S. Roselawn
Artesia, New Mexico

General American Oil Company
Loco Hills, New Mexico

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico

J. Cleo Thompson
4500 Republic Natl. Bank Tower
Dallas, Texas 75201

Oil Conservation Commission
P. O. Drawer DD
Artesia, New Mexico 88210



Kersey & Co. - OLD LOCO UNIT

Eddy County, New Mexico

- Proposed Water Injection well
- Present Injection wells
 - Grayburg
 - A Abo
 - GSA Grayburg - San Andres
 - SR Seven Rivers
 - ⊗ Penn.

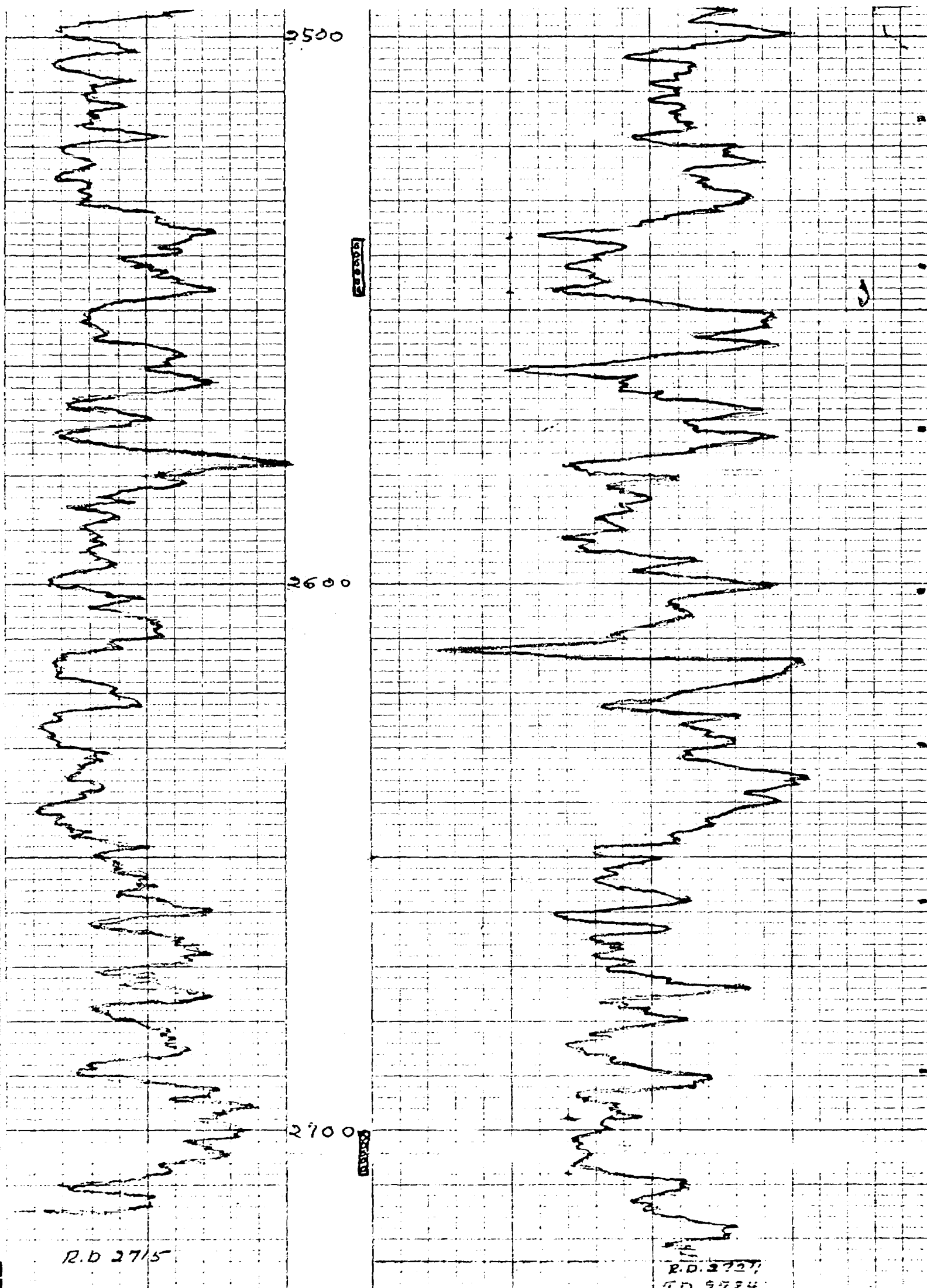
Scale in Feet

0 1320' $\frac{1}{2}$ Mile 3960' 1 mile

Case 3446

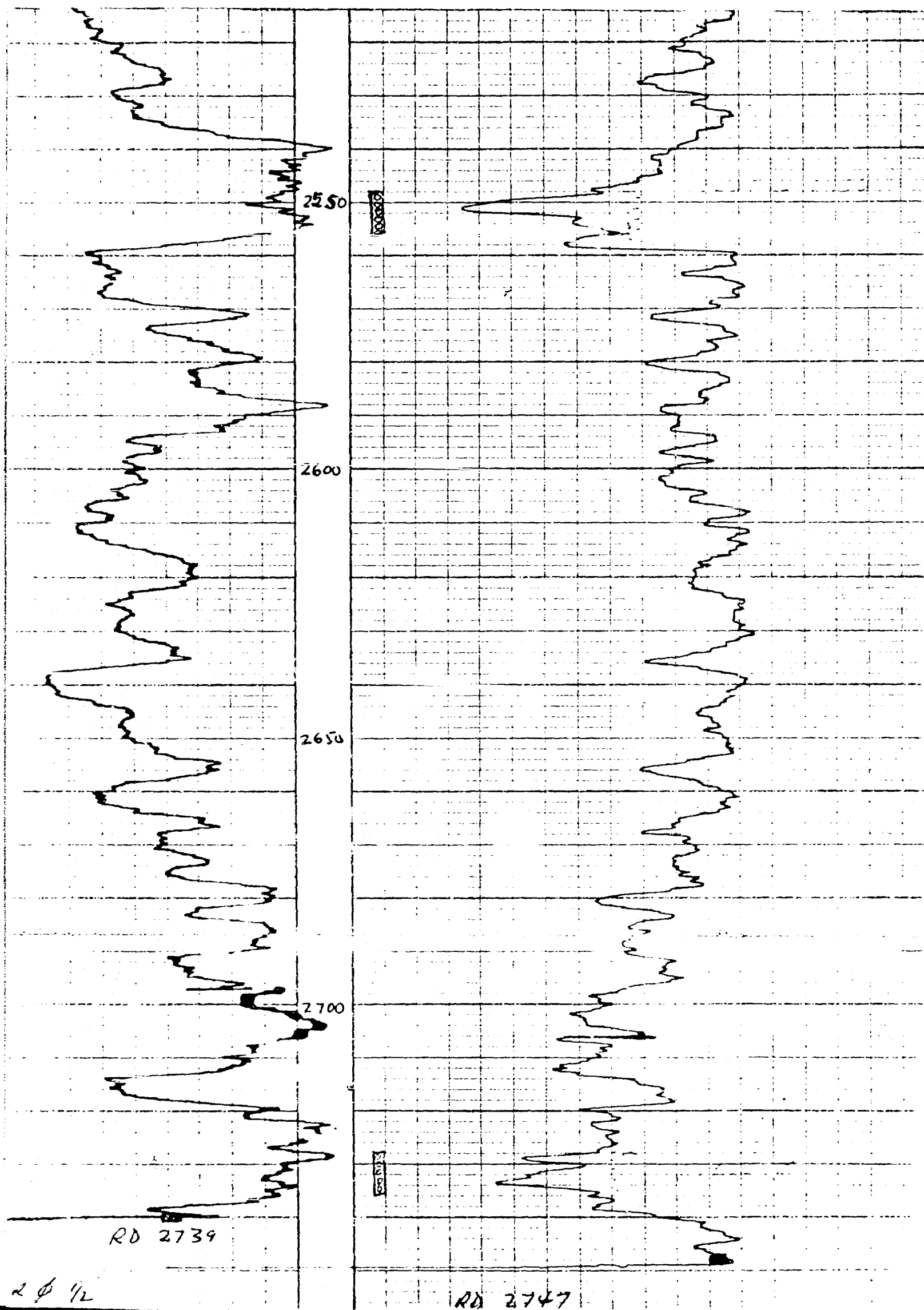
Gamma-Neutron Log Well # 5

SW NW Sec. 32-17-29



Gamma-Neutron Log - Well # 8

NE SE Sec 32-17-29



FOR INJECTION-WELL #1 NE NE Sec. 32-17-29



8 7/8" Set at 302' With 50 Sacks

Perforated 2586-92'

Perforated 2871-87'

4 1/2" Casing set at 2900' with 175 Sacks

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer set at 2500'.

FOR INJECTION-WELL # 3 NE NW Sec 32-17-29



2 7/8 Set at 328' With 50 Sacks

Perf. 2486-92'
" 2494-00
" 2642-48'
" 2654-60

5 1/2" Casing set at 2678' with 100 Sacks

Proposed Procedure:

1. Clean out to T.D
2. Run 2" Cement lined tubing with Tension
Packer set at 2500'

For Injection ~ Well #5 SW NW Sec. 32-17-29



8 5/8 Casing at 400' with 75 Sacks

Perforated 2537-47

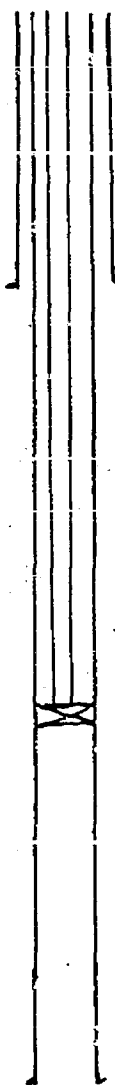
Perforated 2700-2708

7" Casing to 2736' with 100 sacks

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer set at 2500'

For Injection - Well #7 SW NE Sec. 32-17-29



8 5/8" Casing at 350'

Perforations 2507-12'

Perforations 2624-28'

" " 2630-37'

" " 2640-46'

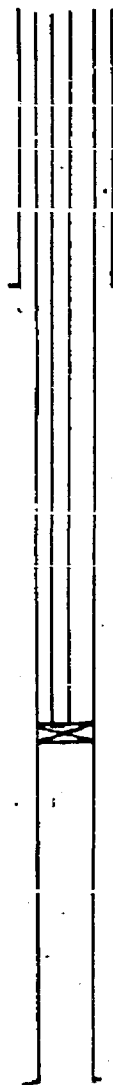
" " 2676-90'

4 1/2" Casing at 3100' with 250 Sacks

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer set at 2475'.

For Injection ~ Well #9 NE SE Sec. 32-17-29



Ran 350' 8 5/8" Casing with 100 Sacks

Perforations 2548-56'

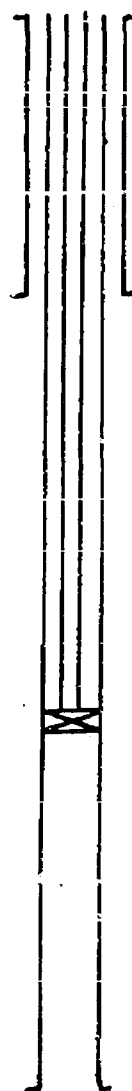
" " 2728-35'

Ran 2755' of 4 1/2" Casing with 200 Sacks

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer set at 2500'.

For Injection - Well # 11 NE SW Sec. 32-17-29



8 5/8" Casing at 328' with 30 Sacks,

Perforations 2536-2544'

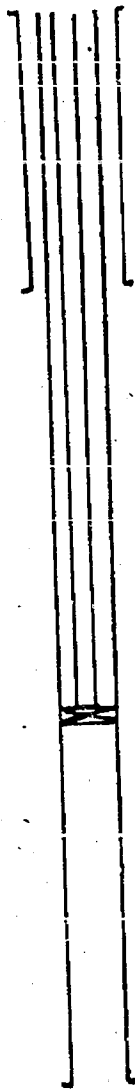
Perforations 2850-59'

4 1/2" Casing at 3015' with 200 Sacks,

Proposed Procedure:

1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer set at 2500'.

For Injection: Plugged Well SW/4 Sec. 32-17-29
Proposed well to be numbered 13.



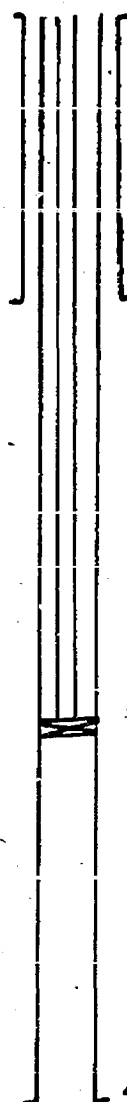
8 5/8" casing at 360' with 100 sacks.

Proposed Procedure:

1. Run 4 1/2" Casing to casing Stub at 2900' - Cement With 100 sacks.
2. Perforate 5 1/2" Casing below 4 1/2" Casing as follows:
 - a. 2510 - 20'
 - b. 2660 - 70'
3. Open Perforations by fracturing.
4. Run 2" cement lined tubing with Tension Packer at 2475'

5 1/2" Casing at 2700' with 100 sacks.

For Injection ~ Well #15 SW SE Sec. 32-17-29



8 5/8" Casing at 306' with 50 Sacks,

Perforations	2566-72'
"	" 2688-92'
"	" 2741-46'

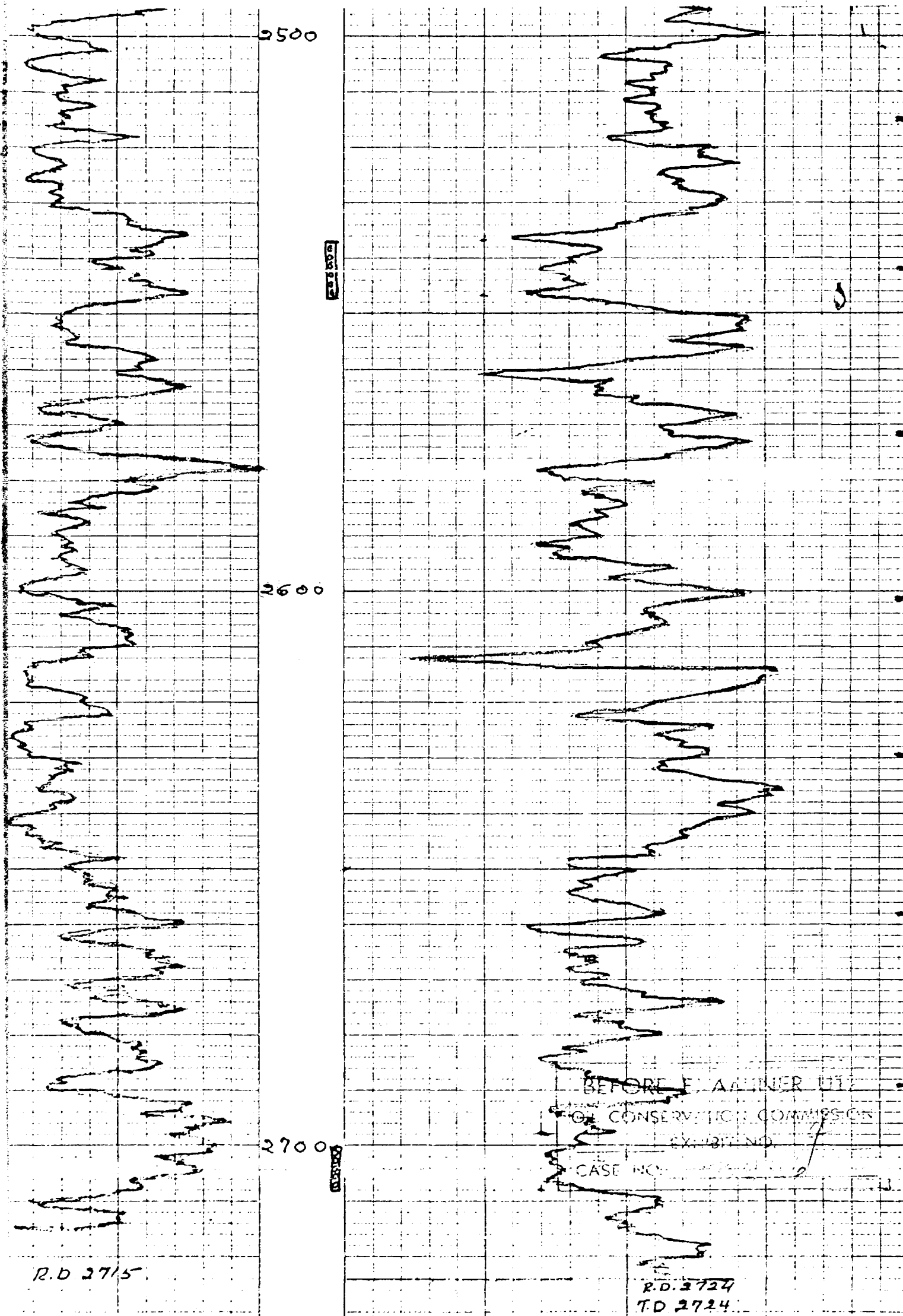
4 1/2" Casing at 2766' with 200 Sacks.

Proposed Procedure:

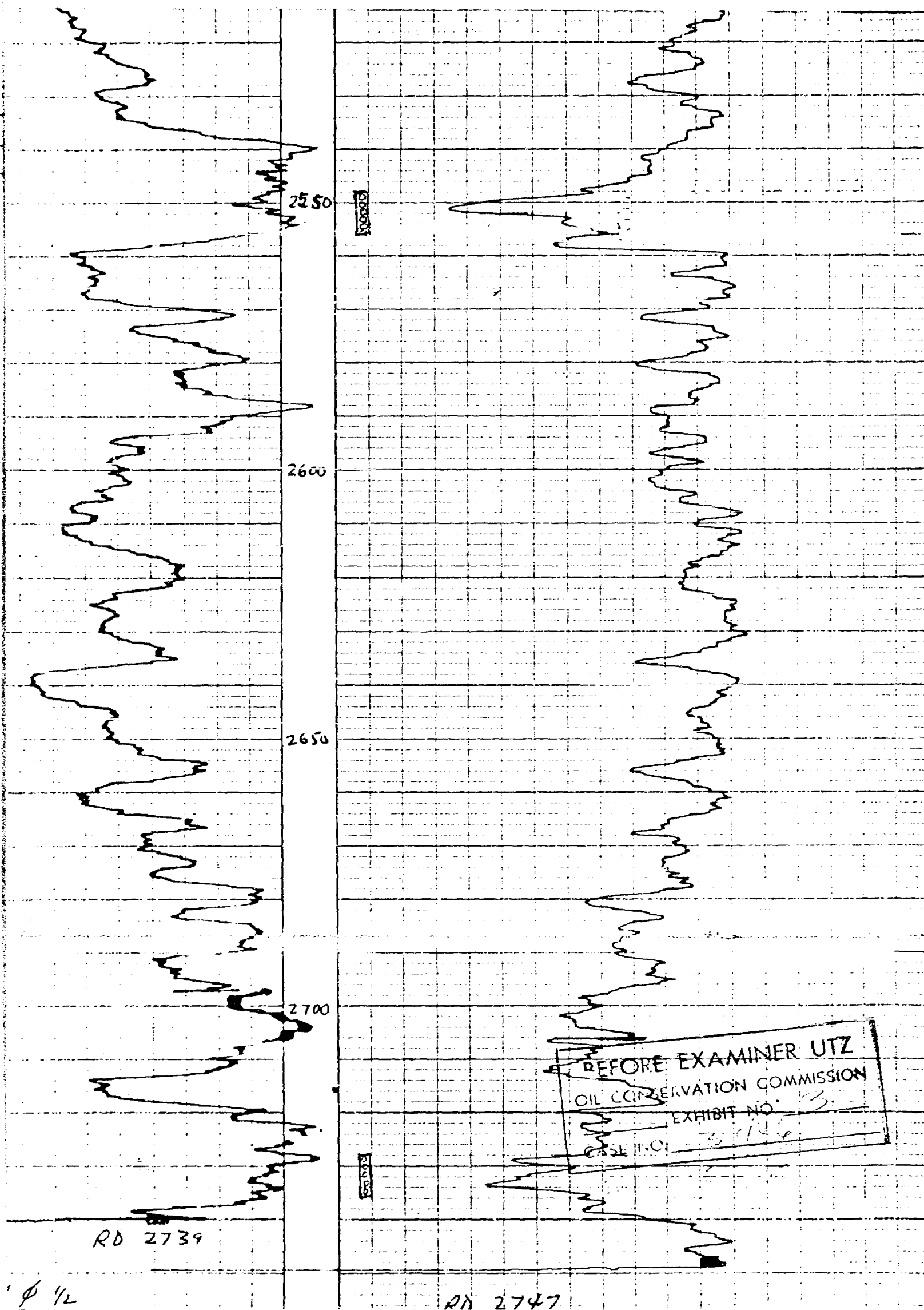
1. Clean out to T.D.
2. Run 2" Cement lined tubing with Tension Packer at 2500'.

Gamma-Neutron Log Well # 5

SW NW Sec. 32-17-29



Gamma-Neutron Log - Well # 8
NE SE Sec 32-17-29



KERSEY & COMPANY
DRILLING AND OIL PRODUCTION
Phone SH 6-3671 • P. O. Box 316 • 808 W. Grand
ARTESIA, NEW MEXICO 88210

August 22, 1966

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

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

Gentlemen:

The attached papers requested administrative approval for the changing of the flood pattern of the Old Loco Unit, Section 32, Township 17S, Range 29 East, Eddy County, New Mexico.

In view of the fact that a hearing is being held to judge the merits of the case, we would like authority to make any future changes if required by the administrative approval route.

Yours very truly,

KERSEY & COMPANY

Harold Kersey
Harold Kersey

HK:cg
CC: State Engineer
P. O. Box 1079
Santa Fe, New Mexico

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
<i>Kersey</i>	EXHIBIT NO. <u>1</u>
CASE NO.	<u>3446</u>

KERSEY AND COMPANY

P. O. Box 316
Artesia, New Mexico 88210
July 13, 1966

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO

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Old Loco Unit #15 located SW SE

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	76
CASE NO.	1146

In support of the request and as required by rule 701-8, the following data is attached:

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KERSEY & COMPANY

Harold Kersey
Harold Kersey

HK:cg

CC: State Engineer
P. O. Box 1079
Santa Fe, New Mexico

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Oil Conservation Commission
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