OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 8, 1955

Mr. E. E. Scannell 517 Staley Building WICHITA FALLS, TEXAS

Dear Sir:

Reference is made to your letter of February 24, with inquiry about a water flood project which is under way in Section 20, Township 17 South, Range 28 East, Eddy County, New Mexico.

I attach a copy of Order R-568, which was issued in Case 789 after properly advertised hearing before the Commission. Our regulations do not require notification of offset operators in such instance, but the statute does require that we make proper legal advertisement in Santa Fe County (wherein the hearing was held) and in the county involved - in this case, Eddy County. This was done, and the matter was also advertised in the Hobbs paper for good measure.

Hearing was then held on November 17, 1954, at which time the applicant, Kersey and Company, presented testimony with regard to its proposed water flooding, and no objection was entered. I believe the order itself will indicate the Commission's disposition of the matter.

Our case record in this matter is open at all times to you if you wish to look it over, along with the well files concerned. I am enclosing a copy of Kersey and Company's original application in the case, if you wish to study it.

Very truly yours,

W. B. Macey, Secretary-Director

WBM:nr

cc: Kersey and Company c/o Mr. Chas. Loveless Box 5613 ROSWELL, N M

RES. PHONE 2-1462

MANY OFFICE COC

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E. E. SCANNELL

517 STALEY BUILDING

WICHITA FALLS, TEXAS

Feb. 24, 1955

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Lessey + Co

Case 789

Gran R- 568

Oil Conservation Commission, Box 871 Sante Fe, New Mexico.

Dear Sirs:

The records show that an application has been made for the drilling of a well located in the Center of the SW Sec. 20, T-1 7S, R-28E, Eddy County, Texas, and understand that this well is now drilling.

Understand also that a water-flooding project is being initiated in this area, the intention being to use the other four wells located on this quarter section as in put wells.

I am the operator of two wells located in the St of the SEt of this same section. Under the arrangements mentioned above, one of the wells to be used as input wells for water injection is a direct offset to the West of my lease.

Please advise if you have any information concerning this flooding project, if there has been a hearing on the matter and, in matters of this nature, if the surrounding lease owners are notified. No notification of a hearing connected with this project has been received by me.

Your early reply regarding this inquiry will be greatly appreciated.

E. SCANNELL

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 17, 1955

Mr. Charles Loveless Box 5613 ROSWELL, NEW MEXICO

Dear Sir:

We attach copy of Order R-568 issued under date of January 13, 1955, in Case 789, which was brought upon your application submitted on behalf of Kersey and Company.

Very truly yours,

W. B. Macey Secretary - Director

WBM:nr