

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

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

P. O. BOX 2088
SANTA FE

September 30, 1966

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

Re: Case No. 3445
Order No. R-3121
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.
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC

Other Mr. Frank Irby

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

October 18, 1966

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

Dear Sir:

Reference is made to Commission Order No. R-3121, recently entered in Case No. 3445, approving the Kersey MCA Waterflood Project.

Injection is to be through the two authorized water injection wells, each of which shall be equipped with tubing and packers, said packers being set as near to the casing shoe above the open hole interval as is practicable.

As to allowable, our calculations indicate that when both 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 168 barrels per day when the South-east 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 any change in the status of wells in the project area, i.e., when active injection

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

-2-

**Mr. Harold Kersey
Kersey & Company
Artesia, New Mexico**

**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. PORTER, Jr.
Secretary-Director**

ALP/ir

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

**Oil Conservation Commission
Hobbs, New Mexico**