



State of New Mexico
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

January 8, 1998

Kersey and Company
P.O. Box 1248
Fredericksburg, Texas 78624

Attn: Mr. Kenneth R. Wade

Re: 1998 Plan of Development
Red Lake Premier Sand Unit
Eddy County, New Mexico

Dear Mr. Wade:


The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm
xc: Reader File

OCD

BLM

1184

KERSEY AND COMPANY

P.O. Box 316 Artesia, NM 88210

195 mg-111 111 8 52

February 24, 1995

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 1397
Roswell, NM 88201

Oil Conservation Commission
P.O. Drawer 2088
Santa Fe, NM 87501

Gentlemen:

Kersey and Company, Operator of the Red Lake Premier Sand Unit, submits a summary of the Unit activity and production results for the year 1994.

1994 Production:

Oil Production:	9801 bbls
Gas Production:	29,224 mcf
Water Produced:	13,715 bbls
Water Injected:	13,715 bbls

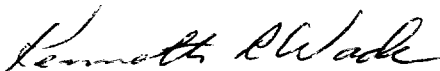
Well Status:

Producing Oil Wells:	25
Producers, Inactive:	4
Producing Gas Wells:	1
Water Injection Wells:	2
Temporarily Abandoned:	3
Total Wells:	35

In 1994 production showed significant increases in both oil and gas. One inactive well was returned to active status, and remedial work was completed on two of the active producers.

In 1995 we plan to return other shut-in and temporarily abandoned wells to active status. No new drilling is planned. Water injection will continue to be limited to produced water. Plat of the unit is enclosed.

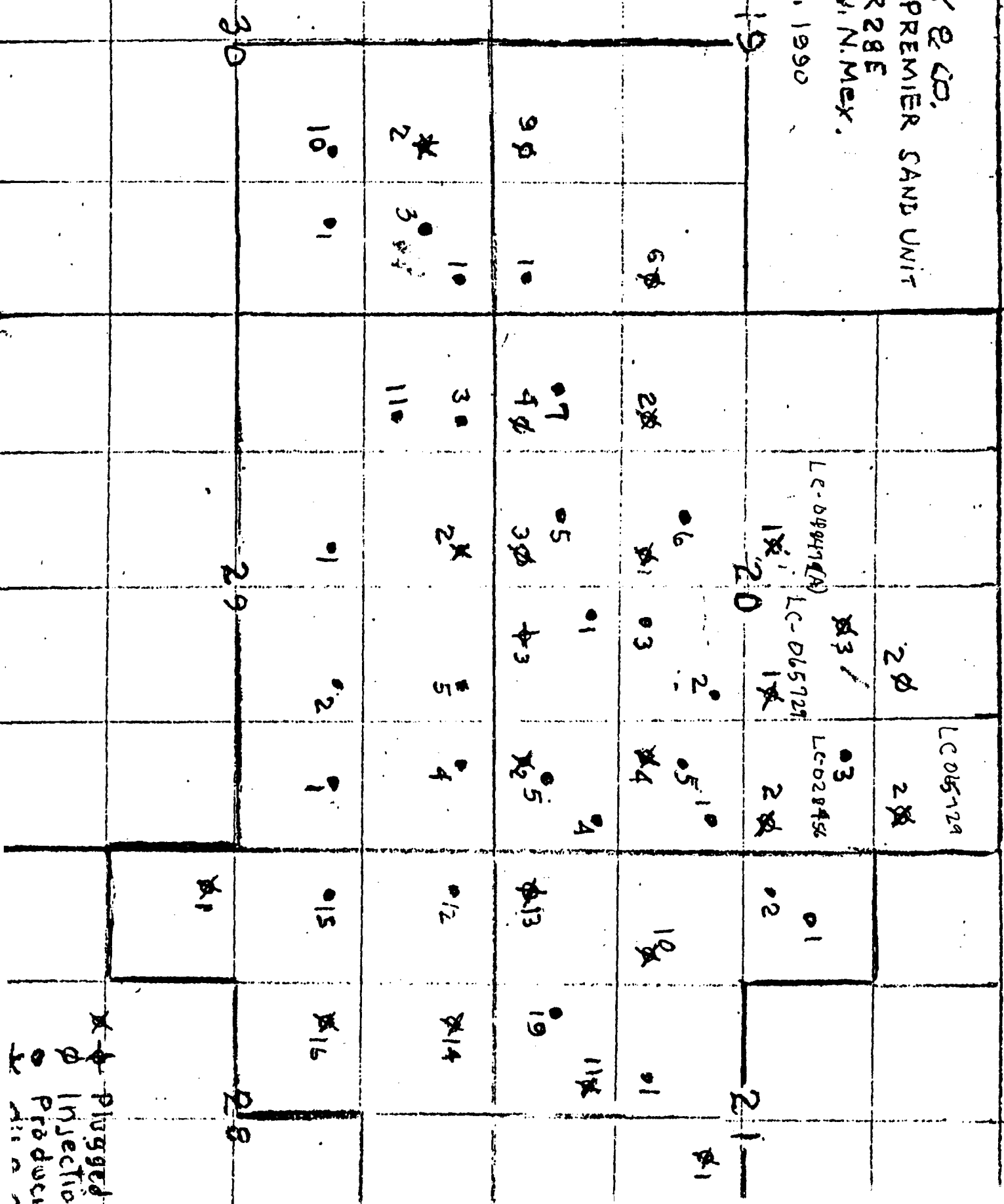
Sincerely,



Kenneth R. Wade
Production Superintendant

KRW:mw

KERSEY & CO.
 ED LAKE PREMIER SAND UNIT
 T.17S. R28E
 Eddy County, N. Mex.
 Jan. 20, 1990



1184

RECEIVED
FEB 28 1994

KERSEY & COMPANY

OIL PRODUCTION
Phone 746-3671 • 808 W. Grand
ARTESIA, NEW MEXICO 88210

February 28, 1994

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 1397
Roswell, NM 88210

Oil Conservation Commission
P.O. Drawer 2088
Santa Fe, NM 87501

Gentlemen:

Kersey and Company, Operator of the Red Lake Premier Sand Unit, submits a summary of the Unit activity and production results for the year 1993.

1993 Production:

Oil Production: 7446 bbls
Gas Production: 7626 mcf
Water Production: 11,965 bbls
Water Injection: 11,965 bbls

Well Status:

Producing Oil Wells: 24
Producers, inactive: 5
Producing Gas Wells: 1
Temporarily Abandoned: 3
Water Injection wells: 2
Total Wells: 35

1993's production showed an increase over 1992, and we plan to continue to try and increase production in 1994 through further remedial work, and returning inactive wells back to active status. Enclosed is a plat of the Unit.

Sincerely,



Kenneth R. Wade
Production Superintendant

KRW:mw

KERSEY & CO.
 RED LAKE PREMIER SAND UNIT
 T.17S. R28E
 Eddy County, N.Mex.
 Jan. 20, 1990

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1184

KERSEY & COMPANY
DRILLING AND OIL PRODUCTION
PHONE SH 6-3671 • P. O. Box 344 • 808 W. GRAND
ARTESIA, NEW MEXICO

91 FEB 11 11 8 37

February 11, 1991

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 1397
Roswell, NM

Oil Conservation Commission
P.O. Darwer 2088
Santa Fe, NM 87501

Gentlemen:

Kersey & Company, Operator of the Red Lake Land Premier Unit submits a summary of the Unit activity and the performance for the year of 1990. The cumulative production through 1990 is 1,517,066 bbls.

Attached hereto is a plat of the Unit and a graph of the oil water and gas production.

Production 1990

Oil Production	6054 bbls
Gas Produced and sold	0
Water Injection	6934
Water Production	6934

Well Status 1990

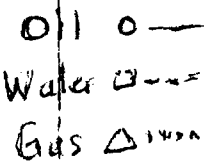
Producers, active	23
Producers, inactive	6
Temporarily Abandoned	1
Injectors Active	2
Injectors inactive	2
Total Active wells	25
Total Wells	34

This year our plan is to do some remedial work consisting of cleaning out and fracturing zones that have not been treated. We plan to plug some watered out and inactive injection wells. Enclosed is graph showing production of water & oil and plat of the Unit.

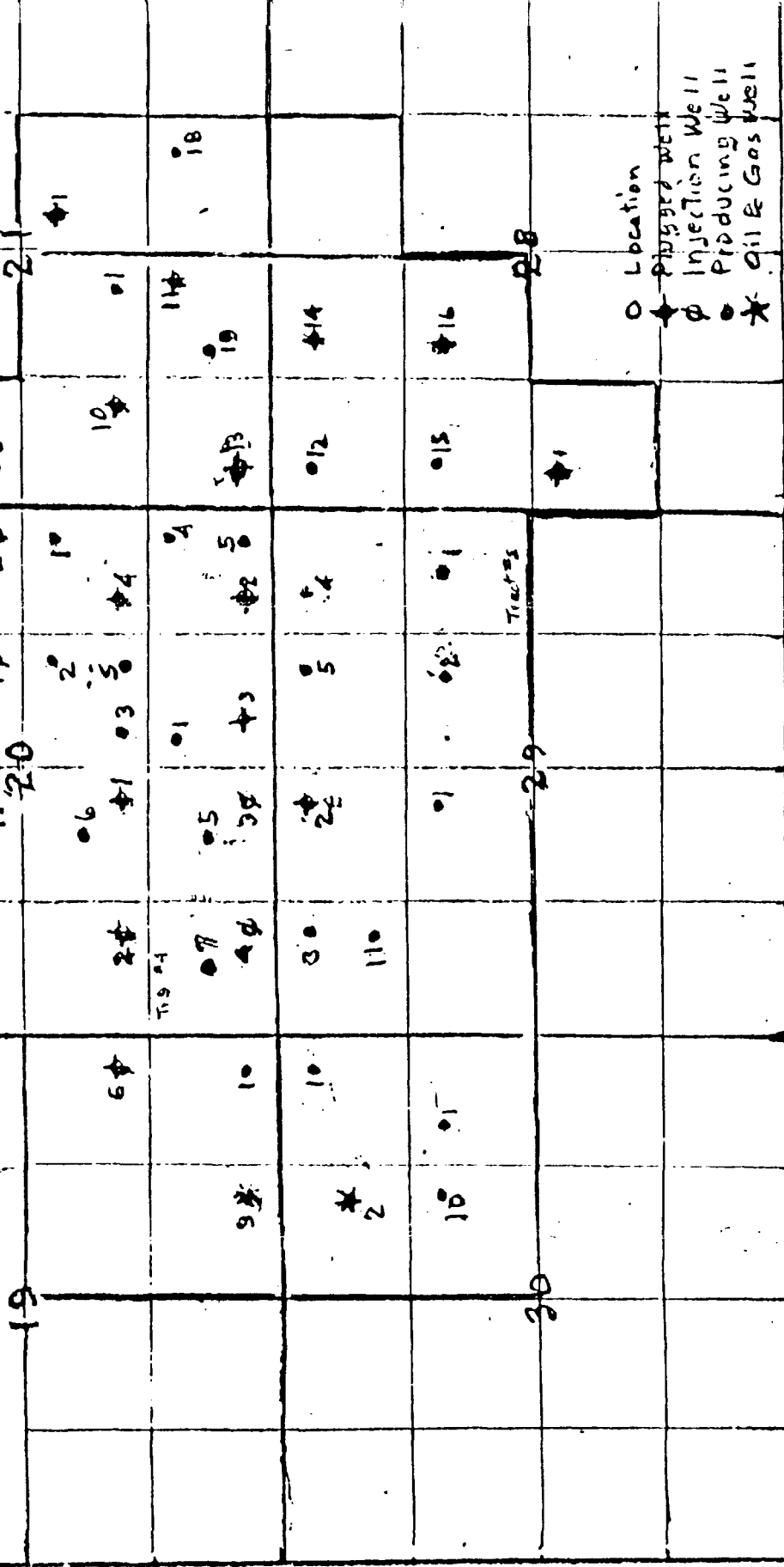
Yours truly,

Harold Kersey
Harold Kersey

1 Red Lake



KERSEY & CO.
 RED LAKE PREMIER SAND UNIT
 T.17S-R28E
 Eddy County, N. Mex.
 Feb. 3, 1991



#1184

KERSEY & COMPANY

OIL PRODUCTION

Phone 746-3671 • 808 W. Grand

ARTESIA, NEW MEXICO 88210

February 5, 1990

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 1397
Roswell, NM 88201

Oil Conservation Commission
P.O. Drawer 2088
Santa Fe, NM 87501

Gentlemen:

Kersey & Company, Operator of the ~~Red~~ Lake Sand Premier Unit, submits a summary of the Unit activity and performance for the year 1989. The cumulative production through December 1988 is 1,511,042 bbls.

Attached hereto is a plat of the Unit and a graph of the oil, water, and gas production.

Production 1989:

Oil Production	5370 bbls
Gas Production	353 MCF
Water Injection	5025 bbls
Water Production	5125 bbls

Well Status 1989:

Production, active	24
Producers, inactive	3
Injectors, active	2
Injectors, inactive	9
Total Active wells	26
Total Wells	38

We are planning some new work as soon as a bankruptcy with one of our principals is completed.

Yours very truly,

KERSEY & COMPANY

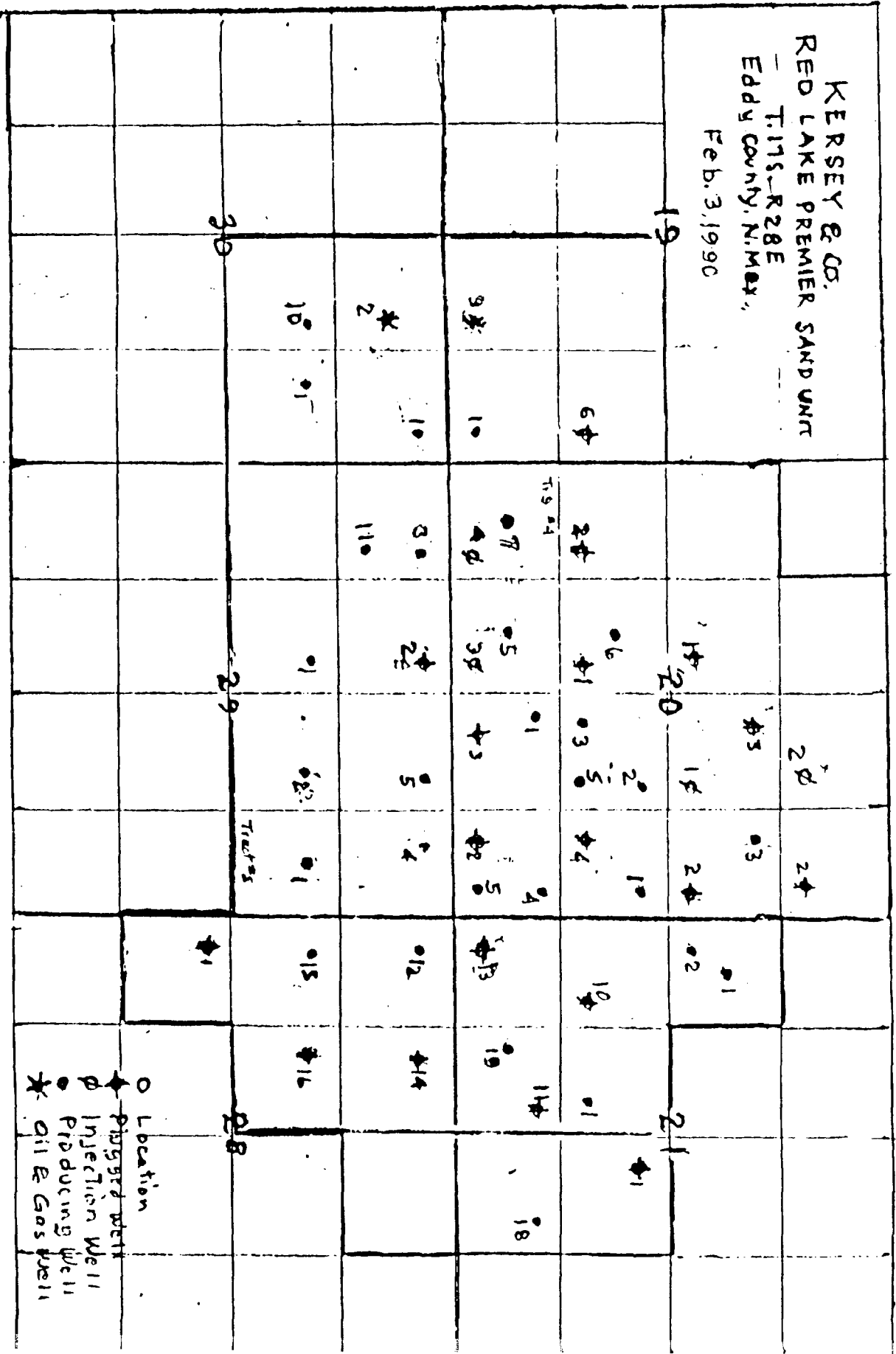
Harold Kersey
Harold Kersey

HK/pt
enclosures

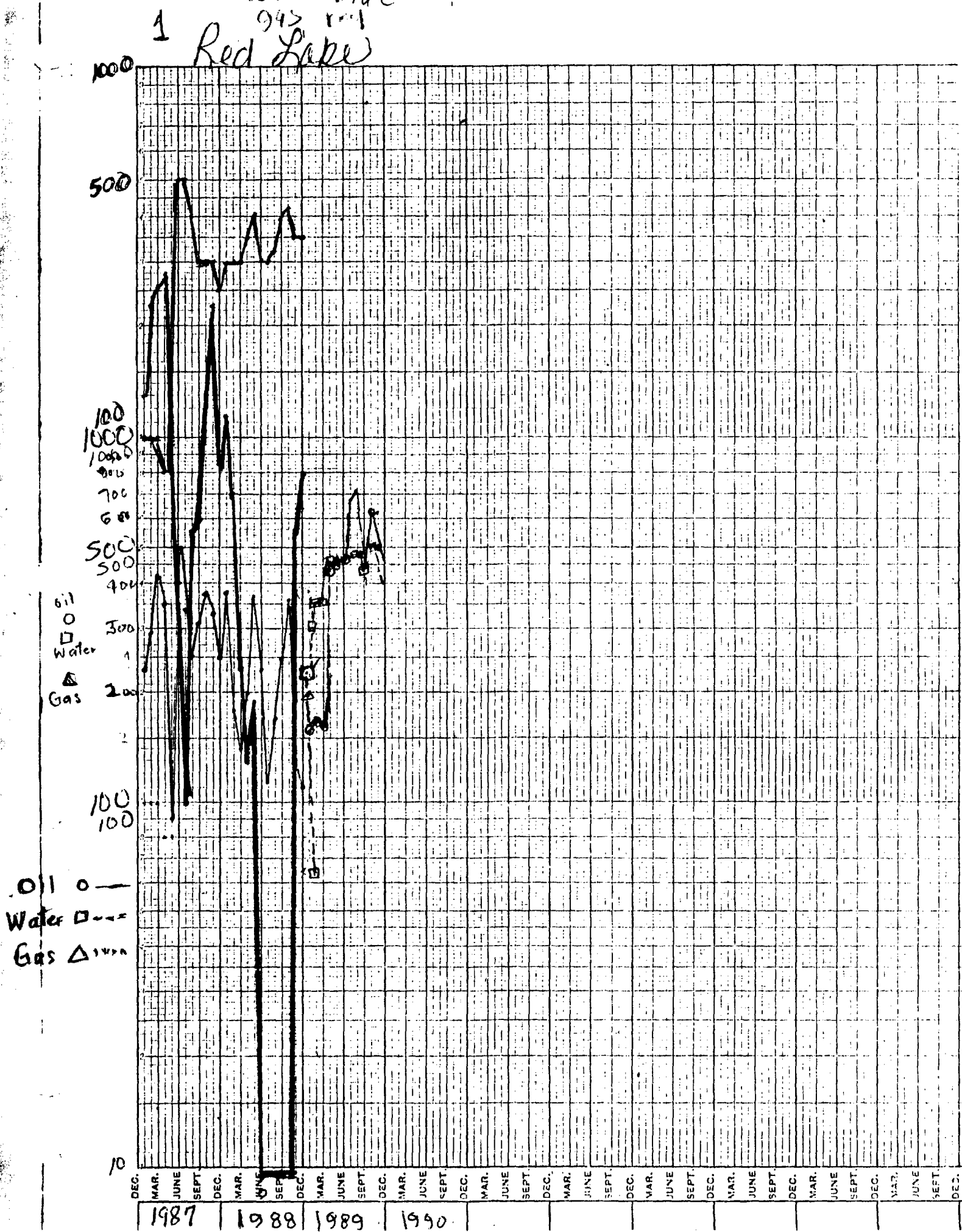
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FEB 7 AM '90

KERSEY & CO.
 RED LAKE PREMIER SAND UNIT
 T. 17S - R. 28E
 Eddy County, N. Mex.

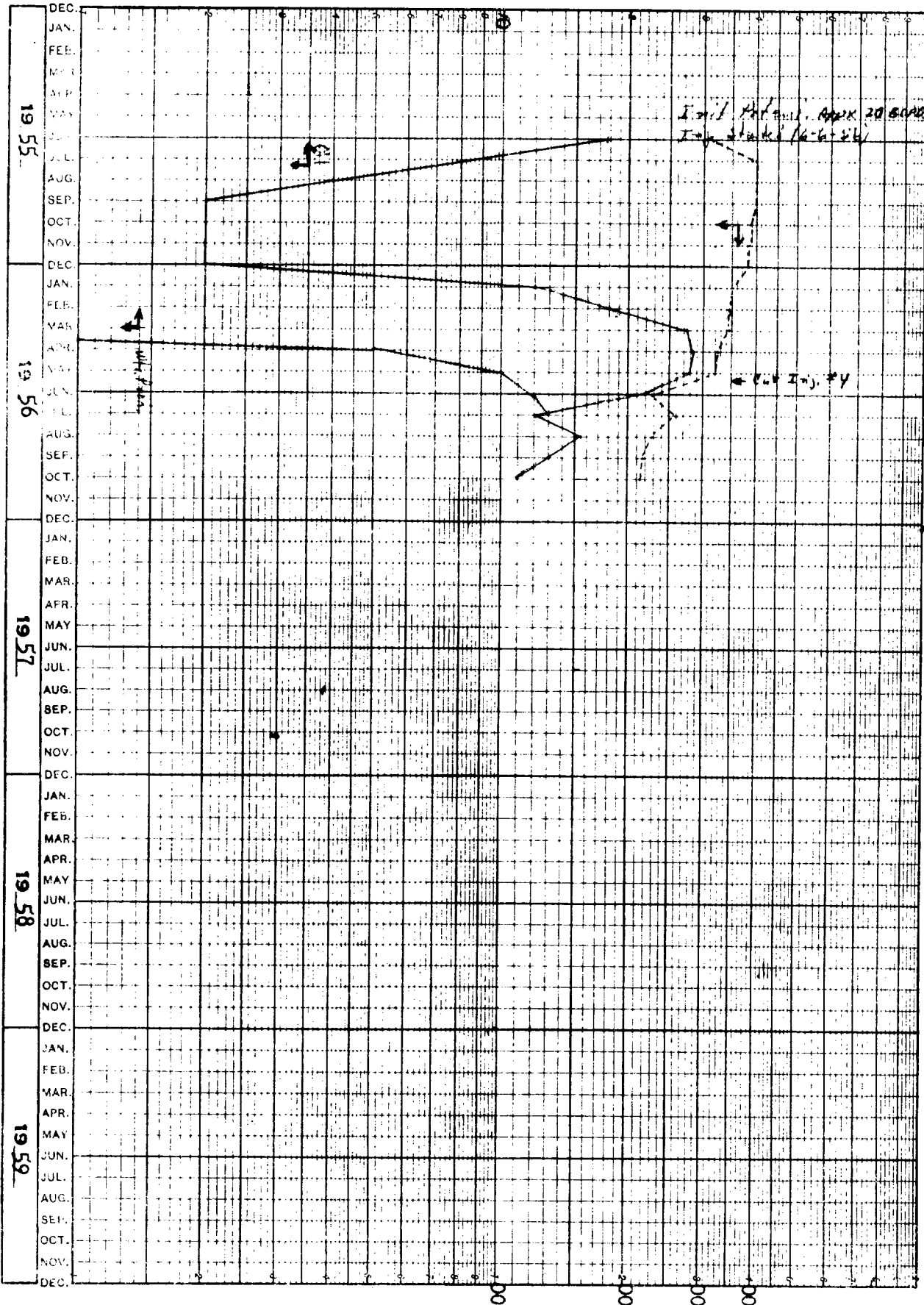
Feb. 3, 1990



Red Lake



Water Production Bbls/day Avg.
Oil Production Bbls/day Avg.



Total Water Injection (#1,2,3,4) Bbls/day Avg.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Case 1184
EXHIBIT No. 2

(1) One producing well
Kersey & Company
Thompson State Lease
Red Lake Waterflood
Eddy County, New Mexico



FEDERAL ABSTRACT CO.

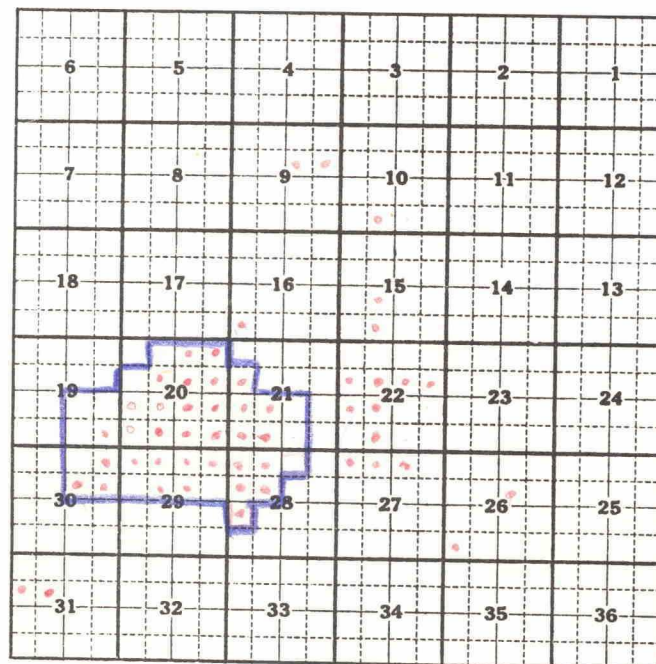
Name

Address

Ph.

Remarks:

*Red Lake (Premier
Sand) Unit.*



T *17* R *28* State *Eddy*
or County

April 30, 1958

U. S. Geological Survey
P. O. Box 6721
Roswell, New Mexico

file
Re: Red Lake Premier
Sand Unit Area
Eddy County, New Mexico

Gentlemen:

As per the terms of the above Unit Agreement a plan of operation is to be submitted within 30 days after the approval of the Unit.

A plat is attached showing the Unit area. On this plat is shown the Pilot area which was in operation when application for the Unit was made. Also indicated is the boundary of the present injection wells. The proposed injection, production, and wells to be converted to injection are also shown on the plat.

At present we are drilling a new production well, Scannell No. 4 located in the NE/4 SE/4 SE/4 of Section 20.

Water is somewhat of a problem in this area and we are using our total supply in the 13 injection wells as shown. As fill up is reached and additional water is produced in the production wells we will be able to start injection into additional wells. We intend to inject all the water produced with the oil.

For the rest of this year our plan is to complete the production well now drilling and expand the injection to additional wells as the water supply increases through water produced with oil and through surplus water which will be available because of fill up of present injection wells.

Yours very truly,

KERSEY & COMPANY

Harold Kersey
Harold Kersey

HK:cg

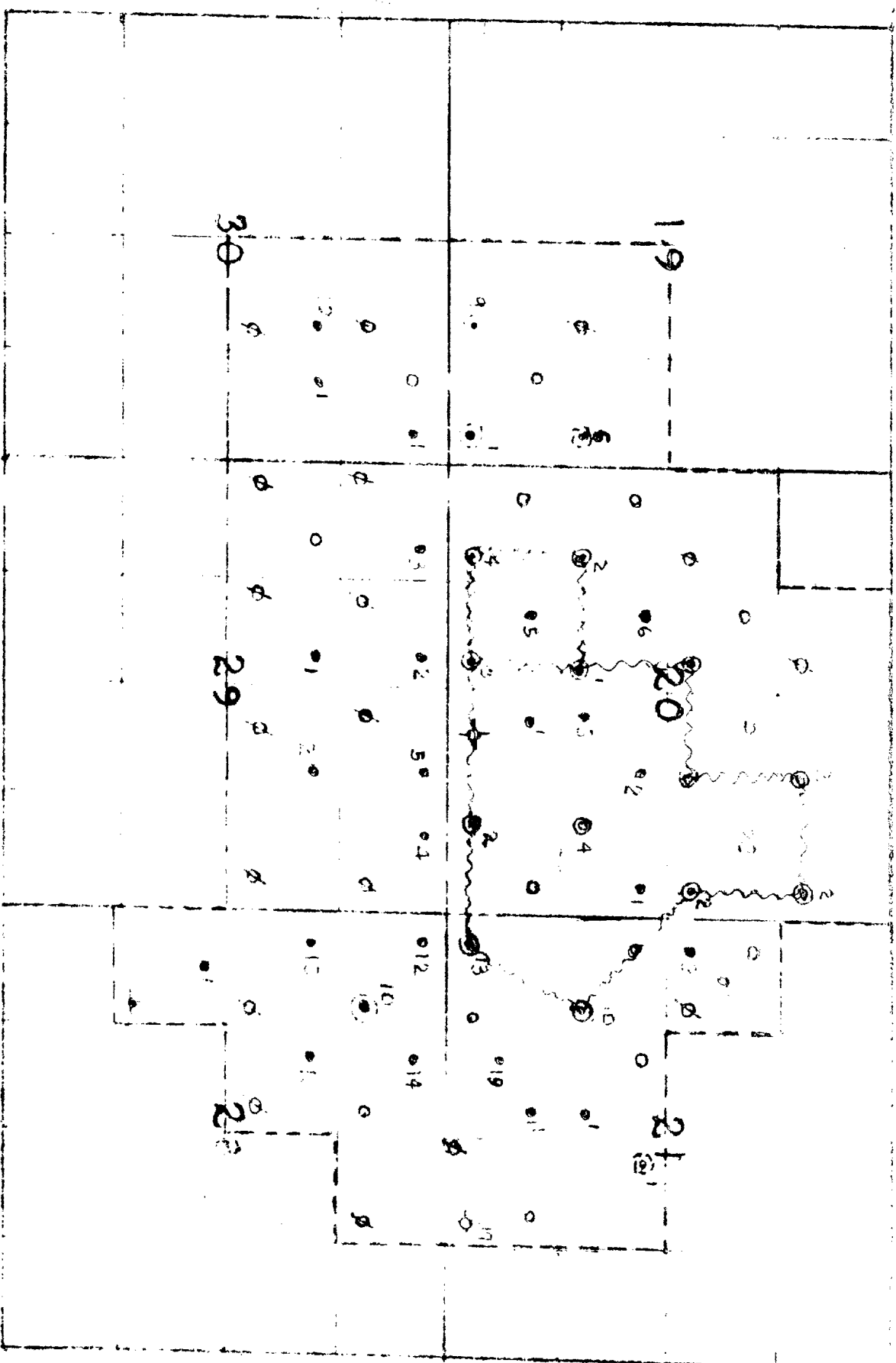
CC: The Ibex Company, Graham, Texas
The Ibex Company, Breckenridge, Texas
Nearburg & Ingram, Roswell, New Mexico
Charles C. Loveless, Roswell, New Mexico
O. C. C. Santa Fe, Hobbs, and Artesia, New Mexico
State Land Office, Santa Fe, New Mexico

Red Lake Barrier Sand Eddy County, N. Mex.

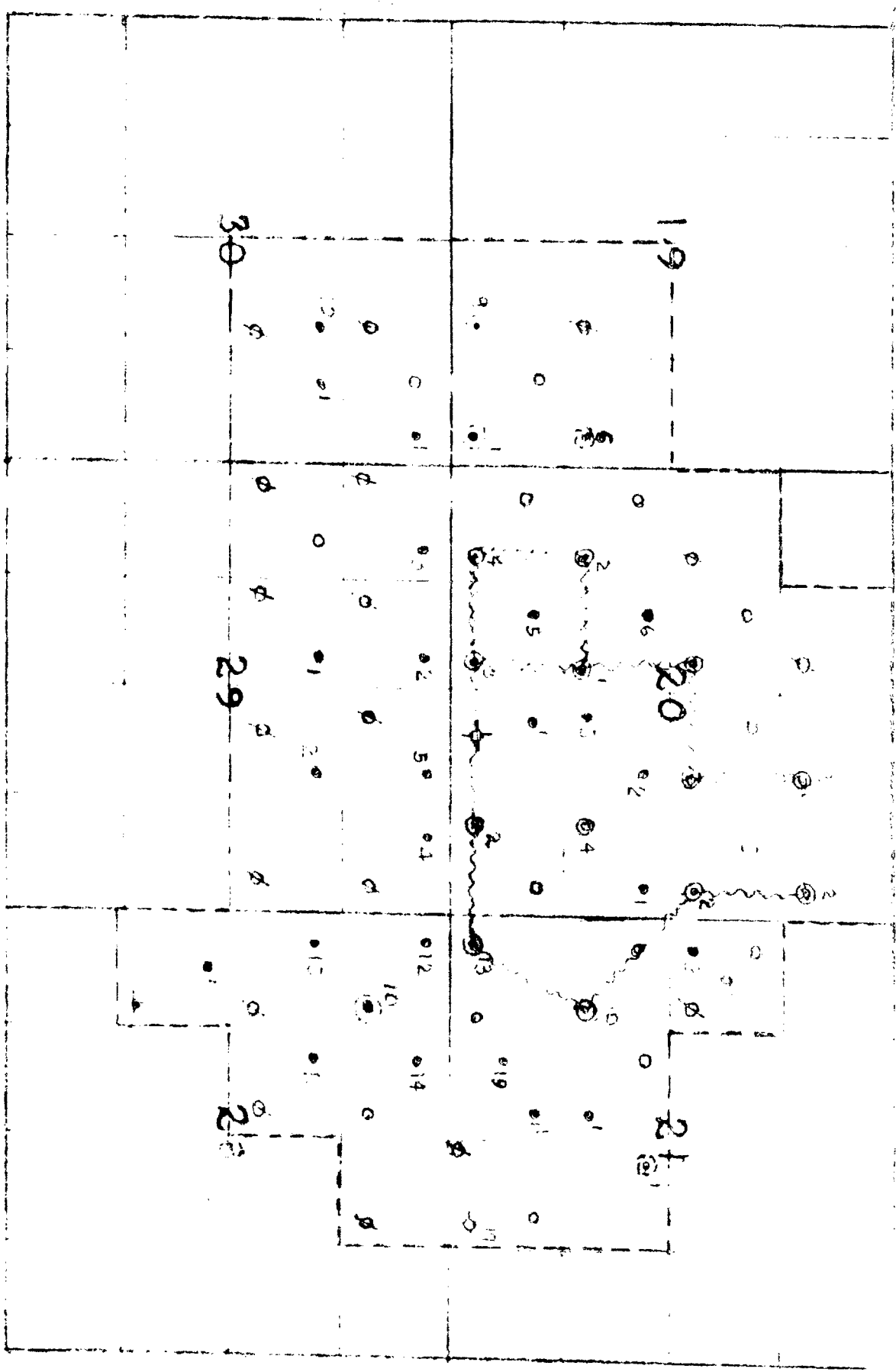
- Present Producer
- ⊙ Present Injection Well
- ⊗ Proposed Injection Well
- Proposed Location
- ⊙ Proposed Conversion Oil Well to Injection Well
- Unit Boundary
- ⊕ Dry Hole
- ⊗ Abandoned Producer
- Pilot Area
- Present Injection Area

Scale 3/4" = 1 Mile

April 1958



T.17S. R.28E.



Red Lake Reservoir
Eddy County, N. Mex.

- Present Injection Well
- ⊗ Proposed Injection Well
- Proposed Location
- ⊗ Proposed Conversion Oil Well to Injection Well
- Unit Boundary
- ⊗ Dry Hole
- ⊗ Abandoned Producer
- Pilot Area
- Present Injection Area
- Scale 3/4" = 1 Mile
- April 1956

T17S R.28E.

In reply refer to:
Unit Division

January 27, 1958

File
1184

Mr. Jack Campbell, Attorney
P. O. Box 721
Roswell, New Mexico

Re: Red Lake Premier Sand Unit
Agreement, Eddy Co., New Mexico

Dear Mr. Campbell:

We are handing you herewith six copies of the Red Lake Premier Sand Unit Agreement, which was approved by the Commissioner of Public Lands January 27, 1958.

Your official receipt in the amount of \$30.00 is also enclosed.

Very truly yours,

MURRAY E. MORGAN,
Commissioner of Public Lands

BY:

Ted Bilberry, Supervisor
Oil and Gas Division

MEM/MMH/s

cc: Oil Conservation Commission ✓
P. O. Box 871
Santa Fe, New Mexico

MAIN OFFICE OCC

1958 JUL 24 AM 8:21

July 22, 1958

File Case
1134

State Land Office
P. O. Box 791
Santa Fe, New Mexico

Re: Red Lake Premier Sand Unit
Eddy County, New Mexico

Gentlemen:

Attention: Mr. Ted Bilberry

We received your letter of July 7th to Campbell and Russell, which was forwarded to us from The Ibex Company.

I had a collect call from a lady in the State Land Office on June 6th, stating that they had not received a plan of operation from us, but had received a copy of our plan forwarded from the USGS office in Roswell. We sent a copy of the same letter as originally filed with a plat stapled on it to your office which you stated you received on June 12th minus the plat. We are stapling a third plat to this letter.

I am sorry but neither Mr. Kersey or myself talked to Mr. Bilberry on May 6th as stated in the 2nd paragraph of your letter.

The same copy, plan and plat was sent to you so that the State Land Office and USGS office would have the same letter. The USGS office has approved the plan and mailed you a copy.

To answer your third paragraph; the New Mexico Oil Conservation Commission sent a copy of Intention to Drill on Scannell well #4 that we mailed to them as shown on the enclosed sheet.

The C-105 which you received, shows location, date drilling commenced, date of completion, oil sand zones, water sand, casing record, cementing record and complete formation record, yet you state it shows no information. Will you please tell us just what information you desire that is not given and we will try and help you, if we can. This is the standard information given and our record is more complete than most that we find on file, when seeking information from well logs.

We have nothing to do with Consolidated Coppermines Corporation as we do not have the deep rights, only the shallow therefore we cannot report on their operations.

Will you please state how you want the April 1st inventory shown. There is no place for this on SLO'S and all sales are shown and have been shown. We do not show federal tract participation on State forms but this will show on the enclosed Malco statements.

We are enclosing copies of the Malco statement for April, May & June showing allocation of production to tracts, which you receive and therefore did not feel it necessary to duplicate them each month. If you will again look at our attached sheet to the SLO'S we do show total production and total sales at the bottom of this report. Please look on the lower half of Malco's statement showing distribution to all tracts. Do you wish a duplication of this statement each month?

We certainly wish to cooperate with you to the fullest extent but are at a loss to know what more you want than has been sent. You now have our letter of April 30th. of the Proposed plan on file and the plat with this letter.

If this letter and enclosures does not bring your file up to date, please state what you need to full fill your requirements and we will comply to the best of our ability.

Yours very truly,

KERSEY & COMPANY

Mrs. Harold Kersey

MNK:cg

CC: Campbell and Russell, Roswell, New Mexico
The Ibox Company, Graham, Texas
The Ibox Company, Breckenridge, Texas
Oil Conservation, Santa Fe, Hobbs, and Artesia

Enclosures (5)

C.I.L CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 18, 1957

*file
1006 1184*

Mr. Clarence Hinkle
Hervey, Dow & Hinkle
P.O. Box 547
Roswell, New Mexico

Dear Sir:

On behalf of your client, Harold Kersey, we enclose two copies of Order R-938 issued January 16, 1957, by the Oil Conservation Commission in Case 1184.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

C
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RECEIVED 11/23/56

NOV 23 1956

November 20, 1956

In reply refer to:
Unit Division

Hervey, Dow & Hinkle
First National Bank Building
Roswell, New Mexico

File 1184

Re: Proposed Red Lake Premier Sand
Unit Agreement

Attention: Mr. Clarence E. Hinkle

Gentlemen:

We are in receipt of your Proposed Red Lake Premier Sand Unit Agreement, which will be heard at an Examiners Hearing at Hobbs on November 28, 1956.

We are returning to you this copy of the Unit Agreement and, upon advice of our attorney, have pencilled in certain changes which we would like to have inserted. We feel that you wouldn't have to revise your unit, but merely insert on your present copies.

At such time as this is returned to us, we will approve as to form and context.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

ESW:MMR/m
enc: 1

cc: OCC-Santa Fe

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date December 15, 1956

CASE

1184

Hearing Date November 28, 1956

My recommendations for an order in the above numbered cases are as follows:

I recommend that the Commission enter an order approving the proposed Red Lake Premier Unit.

I believe that the call of the hearing was insufficient to allow the interpretation that the water injection program ^{provided in the unit agreement} would be automatically approved by approving the Unit Agreement. However, I suggest that a clause to that effect in the order or a letter of explanation of position be sent to the unit operator with his copy of the order.

San Miller
Staff Member