

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. 3887
Order No. R-3546

APPLICATION OF KERSEY & COMPANY
FOR A WATERFLOOD PROJECT, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 23, 1968, at Santa Fe, New Mexico before Examiner Daniel S. Nutter.

NOW, on this 31st day of October, 1968, 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 the applicant, Kersey & Company, seeks authority to institute a waterflood project in the Artesia Pool by the injection of water into the Premier Sand of the Grayburg formation through two injection wells to be drilled in the centers of Units E and K of Section 12, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico.

(3) That the applicant proposes to dually complete said wells in such a manner as to permit the production of oil from the Metex and Loco Hills zones of the Grayburg formation, if said zones prove productive, from perforations above a packer separating said zones from the Premier zone, through 2 3/8-inch tubing, and to permit the injection of water for secondary

-2-

CASE No. 3887

Order No. R-3546

recovery purposes into the Premier zone in the perforated interval below said packer through a parallel string of 2 3/8-inch tubing.

(4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(7) That approval of the proposed dual completion will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

(8) That the subject application should be approved and the waterflood project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Kersey & Company, is hereby authorized to institute a waterflood project in the Artesia Pool by the injection of water into the Premier Sand of the Grayburg formation in its Dunn "B" Well No. 3 to be drilled in the center of Unit K and its Dunn "B" Well No. 4 to be drilled in the center of Unit E, both in Section 12, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

(2) That the applicant is further authorized to dually complete said wells in such a manner as to permit the production of oil from the Metex and Loco Hills zones of the Grayburg formation from perforations above a packer separating said zones from the Premier zone through 2 3/8-inch tubing, and to permit the injection of water for secondary recovery purposes into the Premier zone in the perforated interval below said packer through a parallel string of 2 3/8-inch tubing.

(3) That the subject waterflood project is hereby designated the Kersey Artesia Dunn Waterflood Project and shall be governed

-3-

CASE No. 3887

Order No. R-3546

by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(4) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

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

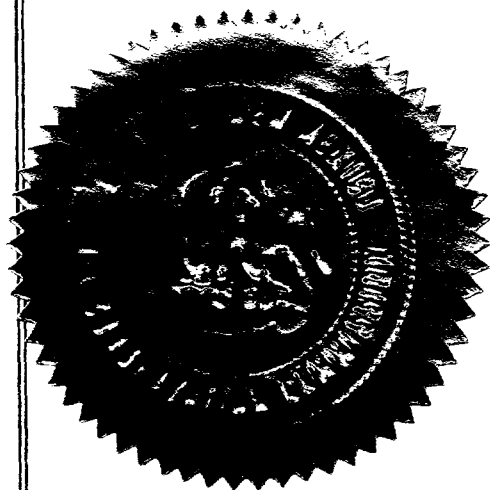
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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



esr/