

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 704
Order No. R-483

IN THE MATTER OF THE APPLICATION OF
KEWANEE OIL COMPANY FOR AN ORDER
GRANTING PERMISSION TO RECOMPLETE
PEARL WELL NO. 25-B, IN THE SW/4 NE/4
OF SECTION 25, TOWNSHIP 17 SOUTH, RANGE
32 EAST, NMPM, IN LEA COUNTY, NEW
MEXICO, IN THE RED SAND AS AN UNORTHODOX
LOCATION: AND TO CONVERT THE MALJAMAR
PAY HORIZON IN SAID WELL INTO A GAS-
INJECTION WELL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on regularly for hearing at 10 o'clock a.m. on
May 19, 1954 at Santa Fe, New Mexico, before the Oil Conservation Com-
mission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 17th day of June, 1954, the Commission having
before it for consideration the testimony adduced at the hearing of said cause
and being fully advised in the premises,

FINDS:

1. That due public notice having been given in compliance with law,
the Commission has jurisdiction hereof.
2. That on May 25, 1948, in Case No. 141 the Commission entered
order No. 770 granting Kewanee Oil Company permission to drill Pearl Well
No. 25-B in the SW/4 NE/4 of Section 25, Township 17 South, Range 32 East,
NMPM, located 1345 feet south of the north line and 2615 feet west of the east
line of said Section 25 as an unorthodox location to be drilled to the Maljamar
pay; that said well was drilled to a depth of 4203 feet and completed in the
Maljamar pay on October 5, 1948 with an initial production of approximately
20 barrels per day; that at the present time said well is producing approximate-
ly 3 barrels of oil per day.
3. That on May 1, 1952, the Commission entered order No. R-146
in Case No. 356 granting Kewanee Oil Company permission to inject gas in
the Maljamar reservoir through Wells Nos. 22-B, 24-B and 26-B; that a
gas injection program is being carried on on the Pearl Lease at the present
time.
4. That at the time Pearl Well No. 25-B was drilled a commercial
show of oil was found in the Red Sand section from approximately 3420 feet
to 3440 feet and that Kewanee Oil Company desires to recomplete said well

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as a producing oil well in the Red Sand and to convert the Maljamar pay in said well to a gas injection well to supplement the present gas injection program now under way in this portion of the Maljamar reservoir.

5. That in completing said Pearl Well No. 25-B as a producing well in the Red Sand and converting the Maljamar Pay in said well to a gas-injection well, Applicant proposes to run Gamma Ray - Neutron Survey, plug off the lower 7th Maljamar Zone completely, set a Baker Model "D" retainer production packer, blank off Baker Model "D" retainer production packer, perforate the Red Sand zone, test the Red Sand zone for oil production, sand-oil treat with sufficient volume to stimulate production, remove blanking tool from Baker Model "D" retainer production packer, run 2-inch tubing and 1-inch macaroni string with special Baker Adapter and tubing flow tube to separate producing horizons, and then produce Red Sand zone through 2-inch tubing and inject gas through 1-inch macaroni string into Maljamar reservoir with an initial volume of approximately 200,000 cubic feet of gas per day at 1500 pounds of pressure.

6. That said Pearl Lease is committed to the Maljamar Cooperative Repressuring Agreement and that gas for injection into Pearl Well No. 25-B will be obtained from the Maljamar Cooperative Repressuring Agreement Plant.

IT IS THEREFORE ORDERED:


1. That the application of Kewanee Oil Company for an order authorizing it to recomplete Pearl Well No. 25-B, in the SW/4 NE/4 of Section 25, Township 17 South, Range 32 East, NMPM, in Lea County, New Mexico, in the Red Sand as an unorthodox location, and to convert the Maljamar pay horizon in said well into a gas injection well in the manner hereinabove set forth be and the same is hereby approved, and production being had from said Pearl Well No. 25-B in the Red Sand, said well is hereby given an allowable separate from the well located on the same 40-acre legal subdivision producing from the Maljamar pay.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



R. R. SPURRIER, Member and Secretary

SEAL