Entered July 13, 1936 A.J.P.

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. 1072 Order No. R-841

> > -

APPLICATION OF KEWANEE OIL COMPANY FOR AN ORDER GRANTING PERMISSION TO INJECT WATER INTO ITS PEARL WELL NO. 26 IN THE NW/4 SW/4 OF SECTION 30, TOWN-SHIP 17 SOUTH, RANGE 33 EAST, MALJAMAR POOL, LEA COUNTY, NEW MEXICO, FOR THE PURPOSE OF SECONDARY RECOVERY AND FURTHER FOR PERMISSION TO DISCONTINUE THE INJECTION OF GAS HERETOFORE AUTHORIZED FOR SAID WELL.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 20, 1956, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico in accordance with Rule 1214 of the Rules and Regulations of the New Mexico Oil Conservation Commission.

NOW, on this  $9^{t/t}$  day of July 1956, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," a quorum being present, having considered said application and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the oil and gas lease involved in the application is Federally owned, and the Supervisor of the United States Geological Survey has interposed no objection to the application.

(3) That Kewanee Oil Company is the owner and holder of a Federal Oil and Gas Lease and said lease covers the following described land in Lea County, New Mexico, to-wit:

> All Sec. 25, Twp. 17 South, Range 32 East; Lots 1, 2, 3, and 4, and the E/2 W/2 Sec. 30, Twp. 17 South, Range 33 East, containing 968.56 acres, more or less,

which said lease is designated as Kewanee Oil Company's "Pearl" Lease.

• .

-2-Order No. R-841

(4) That applicant received authority for an unorthodox location for its Pearl Lease Well No. 26 by Order 770 on May 25, 1948, and that said well is located 2615 feet from the South line and 25 feet from the West line of Section 30, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico. Further, that applicant received authority to inject gas into said well and into two other wells on said Pearl lease by Commission Order R-146, dated May 1, 1952, for the purpose of secondary recovery from the adjoining wells on said Pearl Lease, with the provision that no allowables from the aforesaid three gas injection wells would be transferred to the other wells on said Pearl Lease.

(5) That recent engineering studies have indicated that greater secondary recovery of oil can be accomplished by the initiation of a pilot water flood operation on the aforesaid Pearl Lease.

(6) That applicant has shown that to discontinue the injection of gas into its Pearl Well No. 26 and to convert said well to a water injection well will result in greater secondary recovery of oil.

(7) That said conversion of applicant's Pearl Well No. 26 to a water injection well is in the best interests of conservation and the prevention of waste.

## IT IS THEREFORE ORDERED:

That the application of Kewanee Oil Company to discontinue the injection of gas into its Pearl Well No. 26, located 2615 feet from the South line and 25 feet from the West line of Section 30, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico, and to convert said well to a water injection well be and the same is hereby approved.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION 74

JOHN F. SIMMS, Chairman

E. S. WALKER, Mentber An

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

SEAL