

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. 115

ORDER NO. 736

IN THE MATTER OF THE APPLICATION OF
KEWANEE OIL COMPANY FOR PERMISSION
TO CONVERT TO A PRODUCER FOR THE
PRODUCTION OF OIL AND GAS ITS BAISH
"B" I. P. WELL NO. 30, LOCATED 2,600
FEET FROM THE NORTH LINE AND 25 FEET
FROM THE WEST LINE (SW CORNER SW $\frac{1}{4}$ NW $\frac{1}{4}$)
SECTION 27, TOWNSHIP 17 SOUTH, RANGE
32 EAST. N.M.P.M. IN THE MALJAMAR
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on regularly for hearing at 10:00 o'clock A.M., on November 25, 1947, at Santa Fe, New Mexico before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 25th day of November, 1947, 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, the Commission has jurisdiction of the case and the subject matter thereof;
2. That petitioner is the owner of an oil and gas lease of United States Government leased land designated as Las Cruces Lease 057210 and which lease includes the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 27, Township 17 South, Range 32 East, N.M.P.M., Lea County, New Mexico;
3. That petitioner's present wells located on said tract are its Baish No. 9 I.P. located in the center of the said above described 40-acre unit and is a gas injection well used for injection purposes under the Maljamar Cooperative Repressuring Agreement and that its Baish "B" I.P. Well No. 30 located in the southwest corner of the said 40-acre unit was completed January 30, 1947, under the Maljamar Cooperative Repressuring Agreement program for the purpose of using said well as a gas injection well;
4. That from the evidence before the Commission it has been established that the said Baish "B" I.P. well No. 30 would be of greater value as a producing well than if it were used for gas injection service; that the conversion of this well to a producer would increase the ultimate recovery from the above described 40-acre lease unit; and that the continuation of Baish "B" No. 9 I.P. as an input well would insure maximum benefit to the gas injection program of the Maljamar Cooperative Repressuring Agreement;
5. That under the terms of the Maljamar Cooperative Repressuring Agreement operators of leases upon tracts of lands upon which are located gas injection wells are entitled in addition thereto to a compensating well for the production of oil and gas;
6. That no other lease operators are effected by the unorthodox well location of the well under consideration as petitioner is the owner of all 40-acre units adjoining and surrounding the above described tract of land;

IT IS THEREFORE ORDERED that Kewanee Oil Company, petitioner herein, be granted permission to convert to a producer for the production of oil and gas its Baish "B" I.P. Well No. 30 located 2600 feet from the north line and 25 feet from the west line (SW corner SW $\frac{1}{4}$ NW $\frac{1}{4}$) Section 27, Township 17 South, Range 32 East, N.M.P.M., Maljamar Pool, Lea County, New Mexico.

IT IS THE FURTHER ORDER OF THE COMMISSION that the production from said well shall not exceed the unit allowable now or which hereafter may be fixed by the Commission for the Maljamar Pool.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Thomas J. Mabry
Thomas J. Mabry, CHAIRMAN

John E. Miles
John E. Miles, MEMBER

R. R. Sparrier
R. R. Sparrier, SECRETARY

