

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 CON-
SIDERING:

CASE NO. 356
ORDER NO. R-146

THE APPLICATION OF KEWANEE OIL
COMPANY TO CONVERT PEARL WELLS
NOS. 22 AND 24, SEC. 25, TWP. 17 SOUTH,
RANGE 32 EAST, NMPM, AND PEARL WELL
NO. 26, W/2 SEC. 30, TWP. 17 SOUTH, RANGE
33 EAST, NMPM, MALJAMAR POOL, LEA
COUNTY, NEW MEXICO, FROM PRODUCING
OIL WELLS TO GAS-INJECTION WELLS, AND FOR
PERMISSION TO INJECT GAS PRODUCED FROM
CORBIN 'A' WELL NO. 3, NW/4 SEC. 10, TWP.
18 SOUTH, RANGE 33 EAST, NMPM, LEA COUNTY,
NEW MEXICO, INTO THE GRAYBURG-SAN ANDRES
HORIZONS OF THE MALJAMAR POOL RESERVOIR,
THROUGH PEARL WELLS NOS. 22, 24 AND 26.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at 9 o'clock a.m. on April 15, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this ^{16th} day of May, 1952, the Commission, a quorum being present, having considered the testimony adduced at said hearing, 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 acreage involved in the application is Federally owned, and the Supervisor of the United States Geological Survey interposes no objection to the application.

(3) That Kewanee Oil Company is the owner and holder of Federal Oil and Gas Lease Las Cruces Serial No. 058697 (b) insofar as said lease covers the following described land in Lea County, New Mexico, to-wit:

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

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

(4) That a total of 27 wells, three of which are abandoned or were dry holes, have been drilled upon said lands; that each of said wells was drilled to a sufficient depth to test the Grayburg-San Andres horizons encountered from a depth ranging from 4150 feet to 4250 feet; that at the present time there are 24 producing wells on said lease, producing from the Grayburg-San Andres horizons; that the present oil production from said lease is approximately 365 barrels per day.

(5) That Kewanee Oil Company is the owner and holder of Federal Oil and Gas Lease Las Cruces Serial No. 029489 (a) insofar as said lease covers the following described land in Lea County, New Mexico, to-wit:

W/2 Sec. 10, Twp. 18 South, Rge. 33 East, NMPM,
and containing 320 acres, more or less,

which said lease is known as its Corbin "A" Lease.

(6) That there is located on Corbin "A" Lease one gas well which, although shut in at the present time, has an open-flow potential of 7,900,000 cubic feet of gas per 24 hours; that said gas well produces from the Queen sand, encountered from a depth of 4225 feet to 4327 feet.

(7) That, in accordance with the provisions of Order No. 763 and Order No. 770, Pearl Wells Nos. 22, 24 and 26 were originally drilled as unorthodox five-spot locations.

(8) That it would be in the interest of conservation, prevent waste and enable Kewanee Oil Company to obtain a greater ultimate recovery of oil and hydrocarbons if Pearl Wells Nos. 22, 24 and 26 were converted from producing wells to gas-injection wells, and gas produced from Corbin "A" Well No. 3 injected in the reservoir underlying the Pearl Lease through said three wells, as gas-injection wells.

(9) That Kewanee Oil Company does not desire the current oil allowable produced from Pearl Wells Nos. 22, 24 and 26 to be transferred to other wells on the Pearl Lease by reason of said three wells being converted from producing oil wells to gas-injection wells.

IT IS THEREFORE ORDERED:

That the Kewanee Oil Company be, and the same hereby is granted permission:

(1) To convert Pearl Wells Nos. 22 and 24, in Sec. 25, Twp. 17 South, Rge. 32 East, NMPM, and Pearl Well No. 26, in the W/2 Sec. 30, Twp. 17 South, Rge. 33 East, NMPM, Maljamar Pool, Lea County, New Mexico, from producing oil wells to gas-injection wells;

(2) To inject gas produced from Corbin "A" Well No. 3, in the W/2 Sec. 10, Twp. 18 South, Rge. 33 East, NMPM, Corbin Pool, Lea County, New Mexico, into the Grayburg-San Andres horizons of the Maljamar Pool reservoir, through Pearl Wells Nos. 22, 24 and 26.

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IT IS FURTHER ORDERED:

That no oil allowable produced from Pearl Wells Nos. 22, 24 and 26, be transferred to other wells on the Pearl Lease by reason of said three wells being converted from producing oil wells to gas-injection wells.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



GUY SHEPARD, Member



R. R. SPURRER, Secretary

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