

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 Commis-  
sion 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 juris-  
diction 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 Cooper-  
ative 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 prod-  
ucing 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 Agree-  
ment operators of leases upon tracts of lands upon which are located gas in-  
jection 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. Spurrer*  
R. R. Spurrer, SECRETARY

