



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-2236

Caulkins Oil Company
P.O. Box 340
Bloomfield, New Mexico 87413

Attention: Mr. Robert L. Verquer

RECEIVED
MAR 12 1999
OIL CON. DIV.
DIST. 3

*Breech Well No. 224
API No. - 30-039-06508
Unit A, Section 13, Township 26 North, Range 7 West, NMPM,
Rio Arriba County, New Mexico.
Blanco-Mesaverde (Prorated Gas - 72319) and
Undesignated-Greenhorn (Gas - 93325) Pools*

And

*South Blanco-Pictured Cliffs (Prorated Gas - 72439) and
Otero-Chacra (Gas - 82329) Pools*

Dear Mr. Verquer:

Reference is made to your recent application for an amendment to Division Order No. R-5923 dated February 20, 1979, which authorized Caulkins Oil Company to downhole commingle Blanco-Mesaverde, Undesignated-Greenhorn, South Blanco-Pictured Cliffs and Otero-Chacra Pool production within the Breech Well No. 24. The proposed amendment involves altering the wellbore configuration such that the well is dually completed with the Blanco-Mesaverde and Undesignated-Greenhorn Gas Pools being downhole commingled below a packer, and the South Blanco-Pictured Cliffs and Otero-Chacra Gas Pools being downhole commingled above a packer.

It appearing that the subject well qualifies for approval for such amendment pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which required separation of the zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated gas pool as

printed in the Division's San Juan Basin Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Blanco-Mesaverde Gas Pool	Oil-60%	Gas-70%
Undesignated-Greenhorn Gas Pool	Oil-40%	Gas-30%

South Blanco-Pictured Cliffs Gas Pool	Oil-N/A	Gas-70%
Otero-Chacra Gas Pool	Oil-N/A	Gas-30%

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 9th day of March, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director



S E A L

LW/DRC

cc: Oil Conservation Division - Aztec /
Bureau of Land Management-Farmington