OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE. NEW MEXICO

May 10, 1963

Caulkins Oil Company Box 780 Farmington, New Mexico

Attention: Mr. Frank O. Gray

Administrative Order PC-141

Gentlemen:

Reference is made to your application dated April 23, 1963, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of the distillate production from the Blanco-Mesaverde Pool and the Basin-Dakota Pool from your State "A" Well No. MD-62 located in Unit A of Section 2, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, allocating the production to each pool on the basis of periodic well tests.

By the authority vested in me under the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the distillate production from the aforesaid pools from said well in the above-described menner. Provided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities."

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/DSN/esr

CC: Oil Conservation Commission (with enclosure) - Azteq. 3
United States Geological Survey - Farmington
State Land Office - Santa Fe

OIL CONSERVATION COMMISSION: P. C. BOX 871 SANTA FE. NEW MEXICG

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CAULKINS OIL COMPANY

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FARMINGTON, NEW MEXICO

April 23, 1963

Mr. A. L. Porter, Jr., Secretary - Director New Mexico Oil Conservation Commission Santa Fe. New Mexico

Dear Sir:

This is to request an exception to Rule 303 as provided in Section 2, Subsection (b) of Commission Order Number R-2060, to permit the commingling of liquid production from our State "A" Well Number MD-62, Unit A of Section 2-268-6W, Rio Arriba County.

This well is a dual completion producing gas and distillate from the Mesa Verde Zone (Blanco Mesa Verde Pool) and gas and distillate from the Dakota Zone (Basin Dakota Pool). The working interests and royalty interests are the same for both zones.

Administrative approval to commingle the liquid production is requested so that the operation of the well may be simplified and to permit the salvage of part of the equipment now in use at the well. The gas production will not be commingled.

Following is the record of liquid production from this well to date:

	Mesa Verde Zone		Dakota Zone	
Month	Days on line	Barrels	Days on line	Sarrels
September, 1962	24.	0	25	236
October	1	C	1	5
November	O	O	0	0
December	7	7	7	31
January, 1963	25	3 9	25	152
February	28	54	ర	36
March	31	55	4	16

From the above report it is apparent that there is a great difference in operating time of the two zones. It will therefore be possible to test each zone frequently enough to accurately estimate the liquid production from each zone monthly.

hecent tests of the distillate from the well showed the following:

	Mesa Verde	Dakota
Gravity	59.4	55.3
Reid Vapor Fressure	4.0	6.4
Price	3 2 .3 0	§ 2 .3 8

Due to the difference in flowing time of the two zones it is difficult to calculate

how much the mixing of the liquids would affect their value but due to the small volume involved, the commingling probably would have little effect on income from the sale of liquids.

This well is located on New Mexico State Lease Number E-291-40 and a copy of a letter from the Commissioner of Public Lands approving the commingling is sent herewith; also sent herewith are a plat showing all wells on the lease and a schematic diagram showing the proposed commingling equipment installation. Liquid production would be trucked from the tank at the well to tank number 1063 on the El Paso Natural Gas Products Company gathering line in Section 9-26N-6W. The distillate would be sold to them from that tank.

Yours very truly,

cc New Mexico Uil Conservation Commission 1000 Rio Brazos Road Aztec, New Mexico

Er. A. P. Holland

State of New Mexico



Commissioner of Public Lands

E. S. JOHNNY WALKER COMMISSIONER



P. O. BOX 791 SANTA FE, NEW MEXICO

March 6, 1963

Caulkins Oil Company Box 780 Farmington, New Mexico

Re: Your letter of March 2, 1963, requesting permission to commingle production from your dual completed Mesa Verde-Dakota Well.

Attn: Frank O. Gray

Gentlemen:

You are hereby granted permission to commingle production from your State "A" (E-291-40) Well #MD-62, provided that we are furnished with a metered production report periodically.

Very truly yours,

E. S. JOHNNY WALKER COMMISSIONER OF PUBLIC LANDS

Bv:

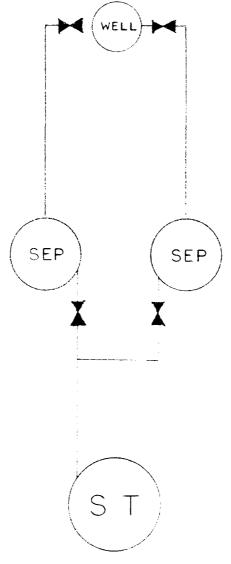
ROMULO MARTINEZ

Oil and Gas Department

EW/RM/pr

cc: Oil Conservation Commission

Oil and Gas Accounting Commission



SCHEMATIC DIAGRAM OF PROPOSED INSTALLATION FOR COMMINGLING LIQUID PRODUCTION FROM MESA VERDE AND DAKOTA ZONES

CAULKINS OIL COMPANY
STATE "A" WELL NO. MD-62
UNIT A OF SECTION 2-26N-6W