

**State of New Mexico**  
**Energy, Minerals and Natural Resources Department**

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR TO PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL APN NO. <b>30-039-21997</b>		
		5. Indicate Type of Lease <b>STATE <input type="checkbox"/> FEE <input type="checkbox"/></b>		
		6. State Oil & Gas Lease No. <b>NMNM-03733</b>		
		7. Lease Name or Unit Agreement Name <b>BREECH</b>		
1. Type of Well <b>Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/></b>		8. Well No. <b>224-A</b>		
2. Name of Operator <b>Caulkins Oil Company</b>		Pool Name or Wildcat <b>DAKOTA, MESA VERDE, CHACRA</b>		
3. Address of Operator <b>P.O. Box 340, Bloomfield, NM 87413</b>				
4. Well Location <b>Unit Letter <u>D</u> : <u>13</u> Section <u>26N</u> Township <u>7W</u> Range <u>NMPM</u> Rio Arriba County</b>				
		10. Elevation (Show Whether DF, RKB, RT, GR, etc.) <b>6499 GR</b>		
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;">           NOTICE OF INTENTION TO:            PERFORM REMEDIAL WORK <input type="checkbox"/>            PLUG AND ABANDON <input type="checkbox"/>            TEMPORARILY ABANDON <input type="checkbox"/>            CHANGE PLANS <input type="checkbox"/>            PULL OR ALTER CASING <input type="checkbox"/>            OTHER: <u>Commingle Well</u> <input checked="" type="checkbox"/> </td> <td style="width: 50%; vertical-align: top;">           SUBSEQUENT REPORT OF:            REMEDIAL WORK <input type="checkbox"/>            ALTERING CASING <input type="checkbox"/>            COMMENCE DRILLING OPNS. <input type="checkbox"/>            PLUG AND ABANDONMENT <input type="checkbox"/>            CASING TEST AND CEMENT JOB <input type="checkbox"/>            OTHER: <input type="checkbox"/> </td> </tr> </table>			NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> OTHER: <u>Commingle Well</u> <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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12. Describe Proposed or Completed Operations

7-30-01      Caulkins Oil Company intends to downhole commingle this well by the following procedure:

Rig up.

T.O.H. with 1 1/4" Mesa Verde – Chacra production tubing.

Release seal assembly from model "D" packer set at 5180'.

T.O.H. with 2 3/8" Dakota production tubing with seal assembly.

T.I.H. with mill on 2 3/8" tubing, drill out model "D" packer.

Clean out to below bottom Dakota perforation at 7198' with air package.

T.O.H. with mill.

T.I.H. with 2 3/8" production tubing.

Land tubing on doughnut at approximately 7180'.

Rig down and move.

Estimated starting date, August 20, 2001.

No new surface will be disturbed. Any questions contact Robert L. Verquer at 632-1544.

Attached: Administrative order DHC-660.

**NOTE:** This format is in lieu of State Form C-103.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Robert L. Verquer TITLE Superintendent DATE July 30, 2001  
 ROBERT L. VERQUER Ph. (505) 632-1544

(This section is for use by the State Oil & Gas Inspector)  
 APPROVED BY STEVEN N. HAYDEN TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUL 31 2001

CONDITIONS OF APPROVAL, IF ANY:



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

July 29, 1987

Administrative Order DHC-660

Caulkins Oil Company  
P.O. Box 780  
Farmington, NM 87401

Attention: Charles E. Verquer

RE: Downhole Commingling  
5 Wells, Blanco Mesaverde, Basin Dakota,  
Otero Chacra Pools, Rio Arriba County, New  
Mexico.

Gentlemen:

Reference is made to your recent request for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject 5 wells as described on Exhibit "A" of this order to commingle the production from all three pools in the wellbores.

It appearing that the subject wells qualify for approval for such exception 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 authorized dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject wells shall not exceed 50 barrels per day, and total water production from the subject wells shall not exceed 100 barrels per day. the maximum amount of gas which may be produced daily from each of the subject wells shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

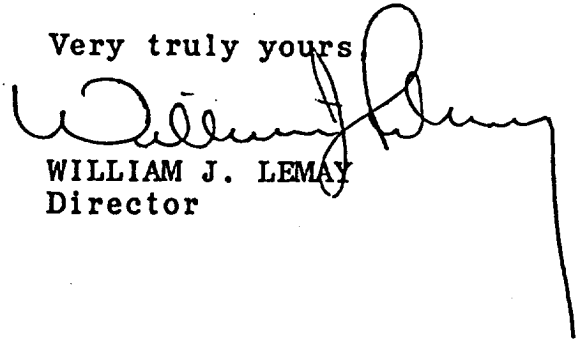
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Administrative Order DHC-660

Pursuant to Rule 303-C.5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours

A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

WILLIAM J. LEMAY  
Director

WJL/DRC/ag

cc: OCD District Office - Aztec  
Case Files - 6438, 6800

C000916

# EXHIBIT "A"

<u>WELL NAME &amp; LOCATION</u>	<u>ALLOCATION</u>		
		Oil %	Gas%
State "A" Well No. 268-E Unit P, Section 16, T-26 North, Range 6 West	Chacra	0	13
	Mesaverde	81	19
	Dakota	19	68
Breech "D" Well No. 346 Unit A, Section 22, T-26 North, Range 6 West	Chacra	0	14
	Mesaverde	77	19
	Dakota	23	67
Breech Well No. 224-A Unit D, Section 13, T-26 North, Range 7 West	Chacra	0	17
	Mesaverde	80	45
	Dakota	20	38
Breech "E" Well No. 54-E Unit P, Section 4, T-26 North, Range 6 West	Chacra	0	3
	Mesaverde	15	5
	Dakota	85	92
Breech Well No. 812 Unit N, Section 18, T-26 North, Range 6 West	Chacra	0	14
	Mesaverde	55	22
	Dakota	45	64

REMARKS: Well Nos. 268-E, 346, and 54-E, were previously downhole commingled in the Mesaverde and Chacra zones authorized by Division Order No. R-6266.

Well Nos. 224-A and 812 were previously downhole commingled in the Mesaverde and Chacra zones authorized by Division Order No. R-5922.

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