



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE June 10, 1985

RE: Proposed MC _____
Proposed DHC X _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated June 9
for the Caulkins Oil Co. See attached list
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

[Signature]

CAULKINS OIL COMPANY

P. O. BOX 780
FARMINGTON, NEW MEXICO 87401

June 4, 1987

Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

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Gentlemen:

As set forth in rule 303-C of New Mexico Oil Conservation Division Rules and Regulations, we hereby request administrative approval for downhole commingling of following Dual completed Mesa Verde - Dakota wells:

Reuter 321-E
934 F/S 1022 F/E
Sec. 15 - 26N - 6W
Rio Arriba County, N.M.

Breech 854
980 F/E 1618 F/N
Sec. 24 - 26N - 7W
Rio Arriba County, N.M.

Breech "B" 220-M
2056 F/N 1197 F/W
Sec. 24 - 26N - 7W
Rio Arriba County, N.M.

Breech "A" 132-E
660 F/N 760 F/W
Sec. 9 - 26N - 6W
Rio Arriba County, N.M.

Breech "F" 45-M
990 F/N 990 F/W
Sec. 35 - 27N - 6W
Rio Arriba County, N.M.

State "A" 62-M
1040 F/N 1120 F/W
Sec. 2 - 26N - 6W
Rio Arriba County, N.M.

Breech "D" 346-M
1520 F/S 990 F/E
Sec. 22 - 26N - 6W
Rio Arriba County, N.M.

Breech "D" 140-M
1028 F/W 880 F/N
Sec. 11 - 26N - 6W
Rio Arriba County, N.M.

Breech "D" 140
990 F/N 990 F/E
Sec. 11 - 26N - 6W
Rio Arriba County, N.M.

✓ Breech "E" 58-M
1545 F/E 990 F/S
Sec. 3 - 26N - 6W
Rio Arriba County, N.M.

Breech "F" 11-M
890 F/S 1120 F/E
Sec. 35 - 27N - 6W
Rio Arriba County, N.M.

Breech "F" 4-M
1520 F/S 1070 F/E
Sec. 33 - 27N - 6W
Rio Arriba County, N.M.

Breech "B" 123-E
830 F/N 960 F/W
Sec. 7 - 26N - 6W
Rio Arriba County, N.M.

Breech "D" 240-E
1733 F/N 1795 F/W
Sec. 15 - 26N - 6W
Rio Arriba County, N.M.

Breech "C" 244-E
1520 F/N 1090 F/W
Sec. 14 - 26N - 6W
Rio Arriba County, N.M.

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Breech "C" 323-E
1120 F/S 1020 F/E
Sec. 14 - 26N - 6W
Rio Arriba County, N.M.

Breech "E" 64-M
1555 F/S 1770 F/E
Sec. 1 - 26N - 6W
Rio Arriba County, N.M.

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Breech "C" 389-E
864 F/S 1010 F/E
Sec. 13 - 26N - 6W
Rio Arriba County, N.M.

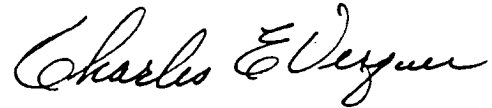
Commingling of the above wells will result in the production of hydrocarbons that would not otherwise be economical to produce, thereby preventing waste.

In support of commingling we offer the following:

- (1) Commingling of wells as approved on Commission Order No. 7980, Dated July 11, 1985 has resulted in better operation of wells.
- (2) These wells are in same area as wells approved on Order # 7980.
- (3) As shown on attached schematic, Packer will be set between zones with reverse flow check valve installed to prevent higher pressure Dakota Zone below from commingling with Mesa Verde Zone.
- (4) Production will be commingled downhole in production tubing only.
- (5) Fluids from both Zones compatible.
- (6) Ownership Common, including working interests and royalty interests.
- (7) Bottomhole pressures taken on wells in this area have shown Mesa Verde pressure to be 70% of Dakota pressure.
- (8) Nine section plat attached, showing all offset acreage ownership, also shows all wells now commingled in Mesa Verde and Dakota Zones.
- (9) Well to be commingled identified by circle, all other commingled wells by arrow and Division Order Number.
- (10) Caulkins Oil Company will consult with Supervisor of Aztec District Office to determine allocation formula for each of the wells as they are commingled.
- (11) All offset operators have been furnished with Copy of this Application. Receipt for Certified Mail attached.

- (12) Copy of Sundry Notice to BLM on Federal wells attached.
- (13) Copy of Sundry Notice to State of New Mexico on State wells attached.

Yours very truly,



Charles E. Verquer, Supt.
Caulkins Oil Company

Copy: Caulkins Oil Company, Denver Colorado
 OCD, Aztec, New Mexico
 Merridian Oil Inc., Farmington, New Mexico
 National Co-Op Ref. Assoc., Midland, Texas
 Union of Calif., Midland, Texas
 Depco, Inc., Denver, Colorado
 Ladd Petro, Denver, Colorado
 Columbus Energy Corp., Midland, Texas
 Curtis J. Little, Farmington, New Mexico
 Turner Prod. Co., Dallas, Texas
 El Paso Natural Gas Company, Farmington, New Mexico
 Mesa Operator Lmtd Part., Amarillo, Texas
 Tenneco Oil Company, Englewood, Colorado
 Occidental Petroleum, Inc., Bakersville, Calif.

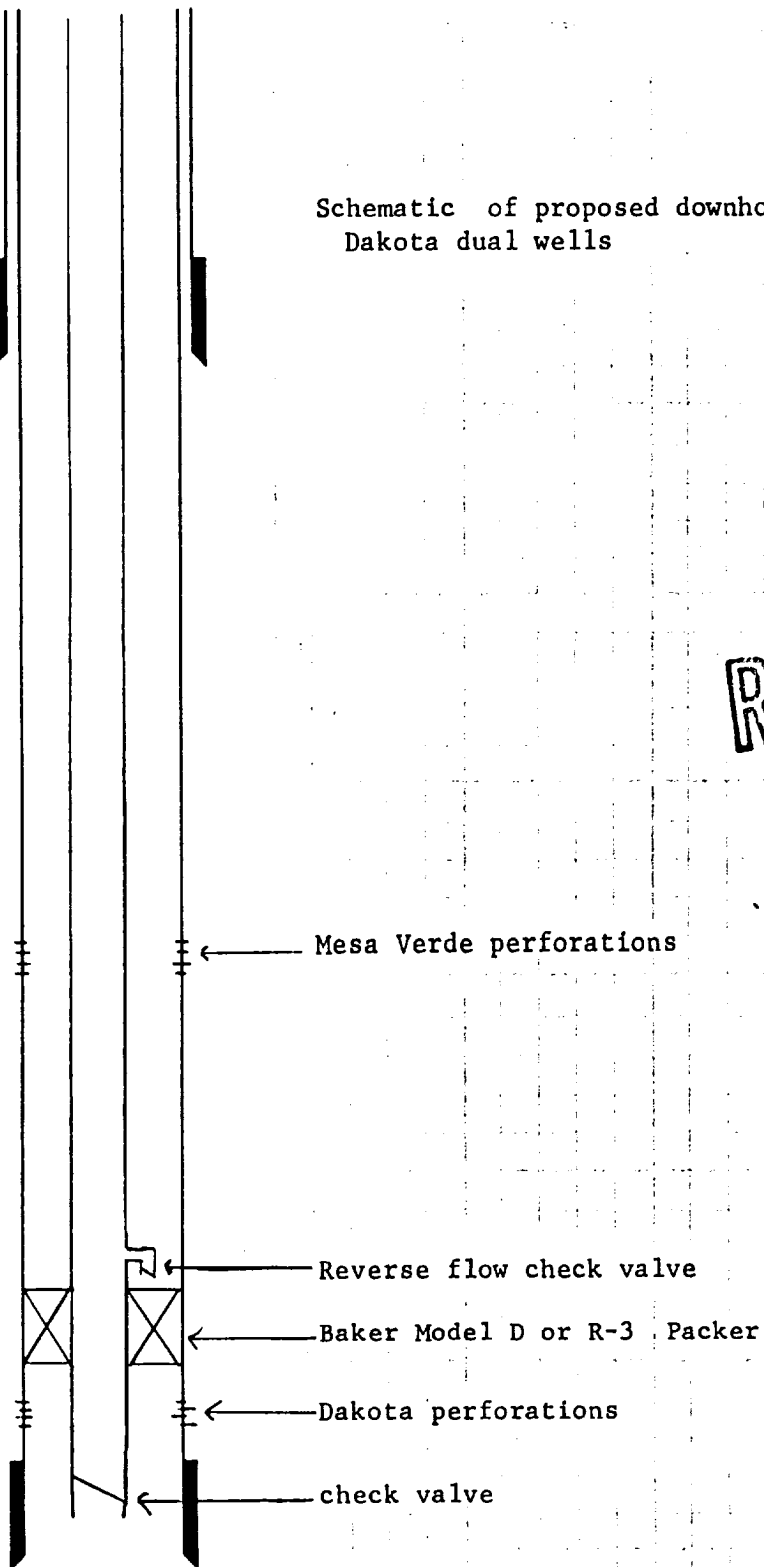
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Schematic of proposed downhole commingling all Mesa Verde
Dakota dual wells

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CAULKINS OIL COMPANY

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FARMINGTON, NEW MEXICO 87401

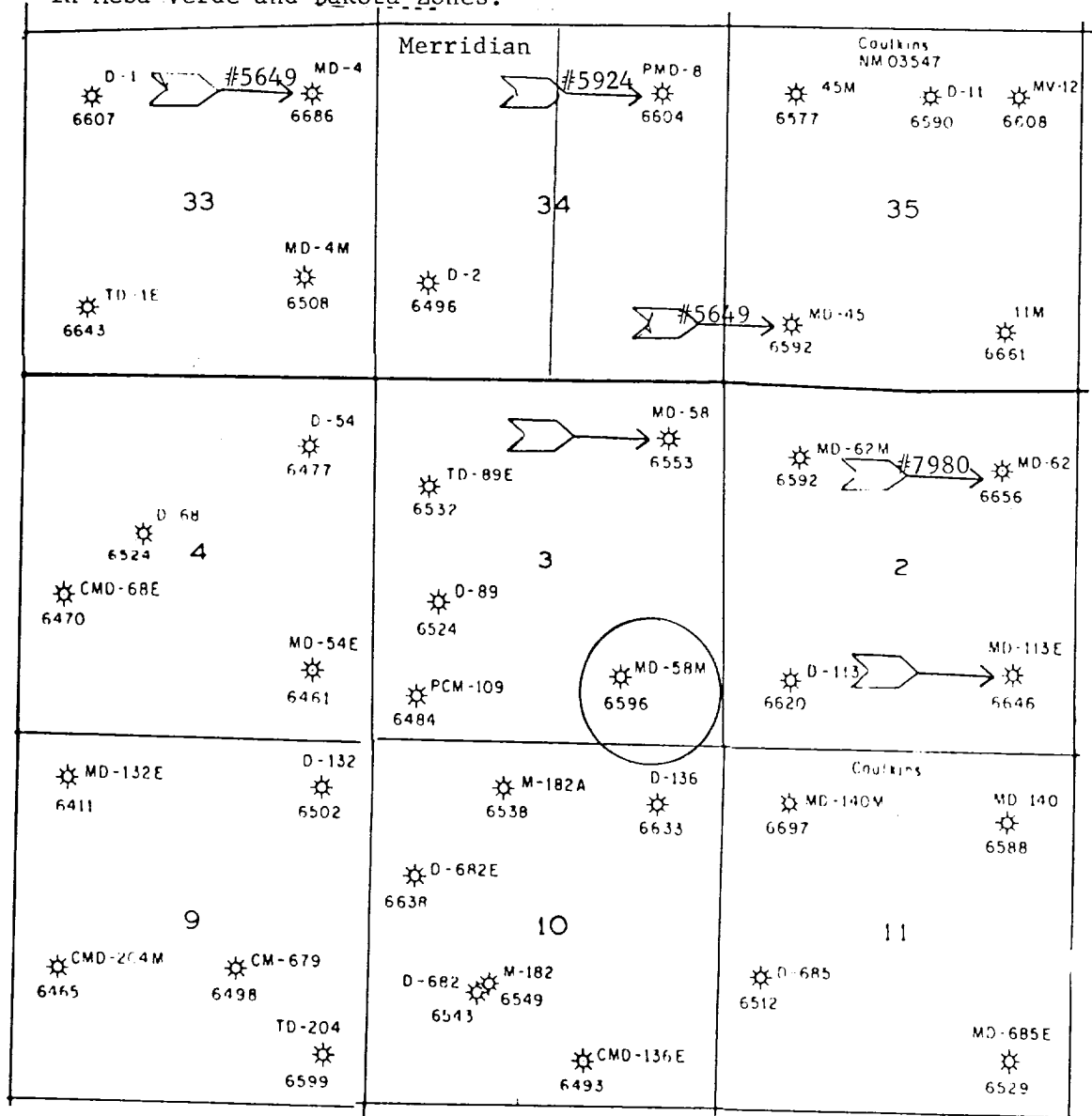
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Breach "E" 58-M
1545' F/E and 990' F/S
Sec. 3, 26N, 6W
Rio Arriba County, New Mexico

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All acreage not otherwise identified, operated by Caulkins Oil Company
in Mesa Verde and Dakota Zones.



Offset operators: Merridian Oil Co. - West half Sec. 34, 27N, 6W