

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**

- [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name _____	Signature _____	Title _____	Date _____
e-mail Address _____			

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

RECEIVED

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes No

AUG 23 2004

OIL CONSERVATION DIVISION
APPLICATION FOR DOWNHOLE COMMINGLING

Operator Caulkins Oil Company Address 1409 W. Aztec, Blvd., Suite B7, Aztec, NM 87410
Lease BREECH "A" Well No. 132-R Unit Letter-Section-Township-Range UNIT G - SEC. 9-26N-6W County Rio Arriba
OGRID No. 003824 Property Code 2455 API No. 30-039-26620 Lease Type: X Federal State Fee

DHC-3333

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	South Blanco Tocito ^{CIL} South Blanco Tocito		Basin Dakota
Pool Code	06460		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6645' - 6659'		6697' - 6712'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			1113 BTU
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 8-3-04 1-hour test Rate: Gas Oil Water 171 8.0 .10 MCF/D Bbl Bbl	Date: Rate: Gas Oil Water MCF/D Bbl Bbl	Date: 12 month average Rate: Gas Oil Water 188 .246 .50 MCF/D Bbl Bbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Gas 48 % Oil 97 %	Gas % Oil %	Gas 52 % Oil 3 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No
Are all produced fluids from all commingled zones compatible with each other? Yes X No
Will commingling decrease the value of production? Yes No X
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes X No

NMOCD Reference Case No. applicable to this well: DHC-3118, DHC-1780, DHC-3029, DHC-3128

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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 August 17, 2004
TYPE OR PRINT NAME Robert L. Verquer TELEPHONE NO. (505)-334-4323

EXHIBIT "H"

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

AMENDED REPORT

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 71599		3 Pool Name Basin Dakota	
4 Property Code 2455		5 Property Name BREECH A			6 Well Number 132R
7 OGRID No. 025244		8 Operator Name CAULKINS OIL COMPANY			9 Elevation 6487'

10 Surface Location

UL or lot no. G	Section 9	Township 26-N	Range 6-W	Lot Idn	Feet from the 1988	North/South line NORTH	Feet from the 1949	East/West line EAST	County RIO ARRIBA
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 320		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

18 FD. B.L.M. BC. 1957	N 89-00-13 W	5285.47'	(M)	SET 2 1/2" ALUM CAP. STAMPED "LS 8894"	17 OPERATOR CERTIFICATION	
					I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
			1988'		1949'	Signature <i>Robert L. Verquer</i> Printed Name Robert L. Verquer Title Superintendent Date 12-18-00
	9					18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
						Date of Survey 9-7-00 Signature and Seal of Professional Surveyor  Certificate Number 8894
						19 FD. B.L.M. BC. 1957

District I

PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87504

Form C-102

Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office

State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-26620		² Pool Code 06460		³ Pool Name SOUTH BLANCO TOCITO	
⁴ Property Code 2455		⁵ Property Name BREECH "A"			⁶ Well Number 132-R
⁷ OGRID No. 003824		⁸ Operator Name Caulkins Oil Company			⁹ Elevation 6487 GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
G	9	26N	6W		1988'	North	1949'	East	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>⁶</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and</p> <p><i>Robert L. Verquer</i></p> <p>Signature</p> <p>Printed Name Robert L. Verquer</p> <p>Title Superintendent</p> <p>Date June 2, 2004</p>	
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>	

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**LAST 12-MONTHS PRODUCTION
FOR
BREECH A 132-R**

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
06/03	6,127	8	1	30	204	0.267
07/03	5,966	8	1	31	192	0.258
08/03	6,103	7	1	31	197	0.226
09/03	5,443	8	1	27	202	0.296
10/03	6,113	9	1	31	197	0.290
11/03	5,896	6	1	30	197	0.200
12/03	6,048	11	2	31	195	0.355
01/04	4,888	5	1	31	158	0.161
02/04	5,360	7	1	29	185	0.241
03/04	6,095	10	2	31	197	0.323
04/04	4,960	9	1	30	165	0.300
05/04	5,055	1	0	31	163	0.032
	68,054	89	13		188	0.246

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals)

5. Lease
NMSF-079035-A

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

1. Oil Well Gas Well Other
GAS WELL

8. Well Name and No.
BREECH "A" 132-R

2. Name of Operator:
Caulkins Oil Company

9. API Well No.
30-039-26620-00C2

3. Address of Operator:
**(505) 334-4323
1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410**

10. Field and Pool, Exploratory Area
SOUTH BLANCO TOCITO

4. Location of Well (Footage, Sec., Twp., Rgc.)
1988' F/N 1949' F/E SEC. 9-26N-6W

11. Country or Parish, State
Rio Arriba Co., New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other _____	<input type="checkbox"/> Dispose Water

17. Describe Proposed or Completed Operations:

7-23-04 Rigged up.
 T. O. H. laying 2 3/8" tubing.

7-26-04 Rigged up Bluejet.
 Run cast iron bridge plug set at 6883'.
 Perforated Tocito zone, 4 shots per foot, 6659' to 6645'.
 Rigged down Bluejet.
 Nippled up frac valve.

7-27-04 Frac'd Tocito zone with 21,100# 20/40 sand and 6290 m/scf N₂ foam.

7-28-04 Flowed back well through 1/4" choke.

(continued on page 2)

NOTE: The format is issued in lieu of U.S. BLM Form 3160-5

18. I HEREBY CERTIFY THE FOREGOING IS TRUE AND CORRECT

SIGNED: Robert L. Verquer TITLE: Superintendent DATE: August 10, 2004
ROBERT L. VERQUER

APPROVED BY: _____ TITLE: _____ DATE: _____
CONDITIONS OF APPROVAL, IF ANY

**Caulkins Oil Company
BLM Sundry Notice
Breech "A" 132-R
August 10, 2004
Page 2**

- 7-30-04** **T. I. H. with 207 joints 2 3/8" tubing with mill.
Tagged sand.
Pulled 3 stands.**
- 8-2-04** **Killed well.
Cleaned out to cast iron bridge plug set at 6890'.
Flowed well through tubing to clean up and test.**
- 8-3-04** **Tested well through 3/4" choke.
Calculated flow at 855 MCF/D, 8 BBL/D oil.
Drilled out cast iron bridge plug set at 6890'.
Cleaned out to TD with air foam unit.
T. O. H. with mill.**
- 8-4-04** **T. I. H. with 2 3/8" production tubing.
Landed tubing on doughnut at 7401'.
Rigged down.
Now flowing to clean up.
Well will be turned to sales upon approval of NMOCD C107-A for downhole commingle.**