

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised May 15, 2000

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

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

District III  
1067 Rio Brazos Road, Aztec, NM 87410

JUN 23 2005

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

OIL CONSERVATION DIVISION  
APPLICATION FOR DOWNHOLE COMMINGLING

Caulkins Oil Company

1409 W. Aztec, Blvd., Suite B7, Aztec NM 87410

DHC-455-A

Operator

Address

BREECH  
Lease

307-M  
Well No.

UNIT O - SEC. 13-26N-7W  
Unit Letter-Section-Township-Range

Rio Arriba  
County

OGRID No. 003824 Property Code 2454 API No. 30-039-23143 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	SANTA BLANCO Pictured Cliffs	Otero Chacra	Mesa Verde	Basin Dakota
Pool Code	72439	82329	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2281' - 2362'	3231' - 3323'	4534' - 4756'	6652' - 6818'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	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)	N/A	N/A	N/A	N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1177	1177	1219	1219
Producing, Shut-In or New Zone	Producing	Producing	Producing	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: 12 month average Rate: Gas 47 Oil 0 Water 0 MCF/D Bbl Bbl	Date: 12 month average Rate: Gas 20 Oil 0 Water 0 MCF/D Bbl Bbl	Date: 12 month average Rate: Gas 36 Oil .367 Water .065 MCF/D Bbl Bbl	Date: 12 month average Rate: Gas 121 Oil .357 Water .065 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 21 % Oil 0 %	Gas 9 % Oil 0 %	Gas 16 % Oil 50 %	Gas 54 % Oil 50 %

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 No

NMOCD Reference Case No. applicable to this well: DHC-2031

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 June 14, 2005

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

**LAST 12-MONTHS PRODUCTION  
FOR  
BREECH 307-M**

**DAKOTA**

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
05/04	4,133	14	2	31	128	0.452
06/04	3,823	10	2	30	122	0.333
07/04	4,103	10	2	31	127	0.323
08/04	3,958	12	2	31	122	0.387
09/04	3,430	6	1	27	122	0.222
10/04	4,573	11	2	31	142	0.355
11/04	3,863	11	2	30	123	0.367
12/04	3,563	8	1	29	118	0.276
01/05	3,883	14	2	31	120	0.452
02/05	3,529	12	2	28	121	0.429
03/05	3,143	10	2	31	96	0.323
04/05	3,457	11	2	30	110	0.367
	<b>45,458</b>	<b>129</b>	<b>22</b>		<b>121</b>	<b>0.357</b>

**MESA VERDE**

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
05/04	1,268	14	2	31	38	0.452
06/04	1,174	10	2	30	36	0.333
07/04	1,259	10	2	31	38	0.323
08/04	1,216	12	2	31	37	0.387
09/04	1,053	6	1	27	36	0.222
10/04	1,399	11	2	31	42	0.355
11/04	1,186	11	2	30	37	0.367
12/04	1,095	8	1	29	35	0.276
01/05	1,193	14	2	31	36	0.452
02/05	1,084	12	2	28	36	0.429
03/05	972	10	2	31	29	0.323
04/05	1,065	11	2	30	33	0.367
	<b>13,964</b>	<b>129</b>	<b>22</b>		<b>36</b>	<b>0.357</b>

**OTERO CHACRA**

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
05/04	784	0	0	31	24	0.000
06/04	718	0	0	30	23	0.000
07/04	705	0	0	31	21	0.000
08/04	692	0	0	31	21	0.000
09/04	531	0	0	25	20	0.000
10/04	703	0	0	31	21	0.000
11/04	642	0	0	30	20	0.000
12/04	657	0	0	29	21	0.000
01/05	708	0	0	31	22	0.000
02/05	645	0	0	28	22	0.000
03/05	520	0	0	31	15	0.000
04/05	430	0	0	30	13	0.000
	<b>7,735</b>	<b>0</b>	<b>0</b>		<b>20</b>	<b>0.000</b>

**PICTURED CLIFFS**

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
05/04	1,856	0	0	31	56	0.000
06/04	1,702	0	0	30	53	0.000
07/04	1,673	0	0	31	50	0.000
08/04	1,641	0	0	31	49	0.000
09/04	1,261	0	0	25	46	0.000
10/04	1,668	0	0	31	50	0.000
11/04	1,525	0	0	30	47	0.000
12/04	1,560	0	0	29	50	0.000
01/05	1,679	0	0	31	50	0.000
02/05	1,530	0	0	28	51	0.000
03/05	1,242	0	0	31	36	0.000
04/05	1,031	0	0	30	30	0.000
	<b>18,368</b>	<b>0</b>	<b>0</b>		<b>47</b>	<b>0.000</b>





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

<sup>1</sup> API Number <b>30-039-23143</b>	<sup>2</sup> Pool Code <b>72319</b>	<sup>3</sup> Pool Name <b>MESA VERDE</b>
<sup>4</sup> Property Code <b>2454</b>	<sup>5</sup> Property Name <b>BREECH</b>	
<sup>7</sup> OGRID No. <b>003824</b>	<sup>8</sup> Operator Name <b>Caulkins Oil Company</b>	
		<sup>6</sup> Well Number <b>307-M</b>
		<sup>9</sup> Elevation <b>6164 GR</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	13	26N	7W		1120	South	1520'	East	Rio Arriba

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

16					<sup>17</sup> OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>   Signature Printed Name <b>Robert L. Verquer</b> Title <b>Superintendent</b> Date <b>May 20, 2005</b>
					<sup>18</sup> SURVEYOR CERTIFICATION <i>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 knowledge and belief.</i> Date of Survey  Signature and Seal of Professional Surveyor:
	Breech 307			Breech 307-M	1520'
	1140'⊙			1120'	
	790'				

Certificate Number

District I

State of New Mexico

Form C-102

PO Box 1980, Hobbs, NM 88241-1980

Energy, Minerals & Natural Resources Department

Revised October 18, 1994

District II

811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

Instructions on back  
Submit to Appropriate District Office

District III

1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Drive

State Lease - 4 Copies

District IV

2040 South Pacheco, Santa Fe, NM 87505

Santa Fe, NM 87504

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-039-23143</b>	<sup>2</sup> Pool Code <b>71599</b>	<sup>3</sup> Pool Name <b>BASIN DAKOTA</b>
<sup>4</sup> Property Code <b>2454</b>	<sup>5</sup> Property Name <b>BREECH</b>	
<sup>7</sup> OGRID No. <b>003824</b>	<sup>8</sup> Operator Name <b>Caulkins Oil Company</b>	<sup>6</sup> Well Number <b>307-M</b>
		<sup>9</sup> Elevation <b>6164 GR</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	13	26N	7W		1120'	South	1520'	East	Rio Arriba

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

16				17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  <i>Robert L. Verquer</i> Signature Printed Name <b>Robert L. Verquer</b> Title <b>Superintendent</b> Date <b>May 20, 2005</b>
				18 SURVEYOR CERTIFICATION <i>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 knowledge and belief.</i> Date of Survey  Signature and Seal of Professional Surveyor:
	Breech 307		Breech 307-M	
	1140'⊙		1120'	
	790'		1520'	
				Certificate Number

ABOVE THIS LINE FOR DIVISION USE ONLY

455-A

**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 \_\_\_\_\_